

# BA-PHALABORWA LOCAL MUNICIPALITY

## ADJUSTMENT BUDGET 2017/18 MTREF

February 28

# 2018

**'THE HOME OF MARULA AND WILDLIFE TOURISM'**



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## **Abbreviations and Acronyms**

CPIX	Consumer Price Index
DORA	Division of Revenue Act
CoGTA	Department of Cooperative Governance and Traditional Affairs
EXCO	Executive Committee
DLGH	Department of Local Government and Housing
GRAP	General Recognised Accounting Practice
IDP	Integrated Development Plan
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
INEG	Integrated National Electrification Grant
MPRA	Municipal Property Rates Act
MTREF	Medium Term Revenue and Expenditure Framework
NERSA	National Electricity Regulator of South Africa
NT	National Treasury
PPP	Public-Private Partnership
SALGA	South African Local Government Association
SDBIP	Service Delivery and Budget Implementation Plan

# PART ONE

## Mayor's speech for tabling of the 2017/18 Adjustment Budget

Honourable Speaker, Cllr. Malatji MM; Chief Whip of Council, Cllr. Hlungwane E; Members of the Executive Committee; Chairperson of MPAC, Cllr. Pilusa K; Honourable Councillors; Traditional Leaders and Representatives of Tribal Authorities; Municipal Manager and the entire Administrative Staff; Ladies and Gentlemen,

Allow me to thank the Honourable Madam Speaker for the opportunity afforded to table this adjustment budget for the financial year 2017/18.

Honourable Speaker, Section 28 of the Municipal Finance Management Act, 2003 (MFMA) allows a municipality to revise its approved budget through an adjustment budget. An adjustment budget amongst other things:-

- Must adjust the revenue and expenditure estimates downwards or upwards if there is material under/ over collection of revenue during the current year;
- May provide for any other expenditure within a prescribed framework;
- May correct errors in the annual budget;
- May, within a prescribed framework, authorise unforeseeable and unavoidable expenditure recommended by the Mayor of the municipality;

Honourable Speaker, this adjustment budget is based on the consultative done with the various departments, taking into account expenditure trends for the past six months of the financial year. The adjustment budget prioritised service delivery programmes in line with current challenges we are facing as a municipality such as electricity infrastructure and dilapidated roads infrastructure and inability to collect the revenue in townships around Ba-Phalaborwa Municipality.

The following decisions were made to determine how the approved budget can be adjusted downwards or upwards but still taking into account service delivery issues:

Honourable speaker the total revenue budget is adjusted upwards by R782 thousand from R522.9 million to R523.7 million for adjustment budget 2017/18, which is 0.15% of the total approved Budget.

The further breakdown of the municipal revenue per service is illustrated as follows:

- The interest on outstanding debtors has been adjusted downwards by R500 thousand.
- R200 thousand has been transferred from transfers recognised-operational to transfers recognised-capital (MIG).
- The R782 thousand has been added as approved rollover from unspent MIG funds
- Interest earned on call accounts R1 million

Honourable Speaker allow me also to outline amongst other breakdown projections of the Municipal Revenue per service which remain unadjusted as per adjusted budget 2017/18 namely:

- The Municipal Assessment rates of R 113.6 million,
- Service charges on electricity R124.1 million,
- Service charges on refuse removal R18.1 million,
- Rental facilities R500 thousand,
- Traffic fines R451 thousand,
- Licence permits R11.9 million and Agency fees R2.7 million
- And other revenue R1.7 million

Total Operating expenditure budget remained unchanged. Total budgeted annual operating Expenditure remained unchanged at R506.4 million for 2017/18 financial year.

The decrease or increase on the expenditure by type comprise of the following:

- Employee related has been adjusted downwards by R421 thousand from original budget,
- Remuneration of councillors not adjusted.
- Debt impairment not adjusted.
- Depreciation has not been adjusted.
- Bulk purchases was not adjusted,
- Finance charges remained unchanged
- Contracted services reduced by R1.2 million,

- And other expenditure increased by R1.7million.

Honourable Speaker, the capital budget has increased from R63.1 million to R64.1 million. The increase on the total capital consist of the Projects funded by Municipal Infrastructure Grants (MIG) which are:

- Mashishimale multi - sport complex downwards adjustment of R531 thousands
- Selwane sport complex upward adjustments of R702 thousands
- Tambo Street phase paving upward adjustments of R705 thousands.
- Benfarm Street Paving reduced by R1.4 million
- Topville to Score Street Paving upward adjustments of R492.3 thousands
- Tshelang Gape upwards adjustment of R1 million.

#### **Projects funded internally**

- Upgrading of single phase network in ext1 increased by R2.7 million to R4.2 million
- Upgrading of Selati substation downwards by R2.3 to R1.7 million
- Installation of electrical network NRS48 downwards by R400 thousands to R350 thousands

The following amongst others are internal funded capital which were not adjusted and will remain with the Original approved Budget.

- Revenue recovery installation of prepaid
- Upgrading of ICT Infrastructure
- Furniture and Equipment
- Revamp of chamber & mayoral Parlour
- Ride-On-Mowers
- Push Mowers
- Two traffic vehicle fully fitted
- Establishment of 24 HR call centre
- Purchase of refuse truck

## **Electrification Grants**

The electrification of Buffer Zone has remained unchanged at R9 million

Honourable Speaker, the municipality will continue with its revenue enhancement strategies and implementation of such strategies to maximise the collection of debt owed by consumers.



## 1. Adjustment Budget Resolutions

### 1.1. Adjustment Budget for 2017/18 Medium Term Revenue and Expenditure Framework

Council resolved that the adjustment and MTREF and its supporting tables of the Ba-Phalaborwa Municipality (LIM334) for the financial year 2017/18; be approved as set out following tables:

Table B1	Adjustment budget summary
Table B2	Adjustment budget financial performance – Standard Classification
Table B3	Adjustment budget financial performance – Revenue and Expenditure by Municipal Vote
Table B4	Adjustment budget financial performance – Revenue and Expenditure
Table B5	Adjustment budget Capital Expenditure- Vote
Table B6	Adjustment Budget Financial Position
Table B7	Adjustment Budget Cash Flows
Table B8	Cash backed reserves/accumulated surplus reconciliation
Table B9	Asset Management
Table B10	Basic Service Delivery Measures

### 2.2 Adjustment permitted in terms of Section 28 (2) of MFMA

Council resolved that the total budgeted annual **Revenue** adjusted upwards from **R522.9 million** to **R523.7 million** be approved.

Council resolved the total budgeted annual operating **Expenditure** remained unchanged **R506.4 million** to be approved.

Council resolved that the total budgeted Capital expenditure **increased from R63.1 million** to **R64.1 million** be approved

### 2.3 Adjustment budget supporting tables for 2017/18 MTREF

Council resolved that the adjustment budget of the Ba-Phalaborwa Municipality for the financial year 2017/18, and indicative figures for two outer years 2018/19 and 2019/20 are approved as set out in the following tables

Table SB1	Budgeted financial position
Table SB2	Supporting details to financial position
Table SB3	Adjustment – SDBIP– Performance objectives
Table SB4	Adjustment budget – performance indicators and benchmarks
Table SB5	Adjustment budget – Social, Economic, Demographic statistics and Assumptions
Table SB6	Adjustment budget – Funding Measurement
Table SB7	Adjustment budget – Transfers and Grant Receipts
Table SB8	Adjustment budget – Expenditure on Transfers and Grant Programme
Table SB9	Adjustment budget – Reconciliation of transfers, Grant Receipts and Unspent Funds
Table SB10	Adjustment budget – Transfers and Grant by the Municipality
Table SB11	Adjustment budget – Councillor and Staff benefits
Table SB12	Adjustment budget – Monthly Revenue and Expenditure (Municipal Votes)
Table SB13	Adjustment budget – Monthly Revenue and Expenditure (Standard Classification)
Table SB14	Adjustment budget – Monthly Revenue and Expenditure
Table SB15	Adjustment budget – Monthly Cash flows
Table SB16	Adjustment budget – Monthly Expenditure (Municipal Votes)
Table SB17	Adjustment budget – Monthly Capital expenditure (Standard Classification)
Table SB18a	Adjustment budget – Capital Expenditure on New Assets (Assets Class)
Table SB18b	Adjustment budget – Capital Assets on renewal of existing assets (Assets Class)
Table SB18c	Adjustment budget – Expenditure on Repairs and Maintenance (Assets Class)
Table SB19	Adjustment budget –List of Capital programme or projects affected by Adjustment

#### **2.4. Revised Service Delivery and Budget Implementation Plan (SDBIP)**

Council note that the revised SDBIP will be tabled after the adjustment budget has been approved in line with MFMA section 54(1) (c).

#### **2.5. Budget Related Policies**

Council resolved that the following budget related policies remain unchanged as approved by council

1. Property Rates Policy
2. Tariff Policy
3. Supply chain management policy
4. Credit Control Policy
5. Debt Collection Policy
6. Indigent Household Consumer Subsidy policy
7. Virement policy
8. Inventory Management Policy
9. Budget policy
10. Petty Cash policy
11. Asset Management Policy
12. Bad Debts Write Off
13. Deposit Policy

14. Cash management and Investment Policy
15. Fleet management Policy
16. Electricity by-laws
17. Land use by-law
18. Electricity supply by-laws
19. Subsistence and travelling policy
20. Petty Cash Policy
21. Customer care Policy and Service Standards

I thank you

## EXECUTIVE SUMMARY

In accordance with Section 28 of the Municipal Finance Management Act, 56 of 2003, a municipality may revise an approved annual budget through an adjustment budget. In terms of Section 72 (3) of the MFMA, the Accounting Officer must as part of review, make recommendations as to whether an adjustment budget is necessary and recommends revised projections for revenue and expenditure to the extent that this may be necessary.

**The section further provides that an adjustment budget may authorise the following:**

- a) Provide for any other expenditure within a prescribed framework.
- b) Correct any errors in the annual budget (Budget overstated and under-stated)
- c) Spending of funds that were unspent at the end of the past financial year where under-spending could not reasonably have been foreseen at the time to include correctly projected roll-over amounts when the annual budget for the current year was approved by Council.
- d) Appropriation of projected savings in one vote towards spending under another vote.

Section 72 of MFMA stipulate that the Accounting officer must assess the performance of the municipality during the first half of the financial year and as part of the review, make recommendations as whether the adjustment budget is necessary and recommend the revised projections of revenue and expenditure The municipal mid-year report indicates various favorable and unfavorable variances when compared to the projected Budget 2017/18. As a result there is necessity to table the Adjustment budget 2017/18 financial year in order to adjust Revenue and expenditure per source to be in line with performance trends.

**The following table reflects the Approved budget revenue 2017/18, Mid-year performance and the revised budget 2017/18 MTREF**

R thousands	Budget 2017/18	Adj Amounts	Total Adj Budget	Mid-Year Outcome	Percentage%
<b>Revenue By Source</b>					
Property rates	113,609	–	113,609	55,794	49.11%
Service charges – electricity revenue	124,121	–	124,121	46,434	37.41%
Service charges – refuse revenue	18,119	–	18,119	7,130	39.35%
Rental of facilities and equipment	500	–	500	264	52.71%
Interest earned – external investments	538	500	1,038	989	183.70%
Interest earned – outstanding debtors	72,042	( 500 )	71,542	9,487	13.17%
Fines	451	–	451	879	195.11%
Licences and permits	11,922	–	11,922	5,531	46.39%
Agency services	2,701	–	2,701	1,383	51.19%
Transfers recognised – operational	129,937	( 200 )	129,737	92,491	71.18%
Transfers recognised – capital	47,219	982	48,201	18,886	40.00%
Other revenue	1,732	–	1,732	3,915	226.05%
<b>Total Revenue</b>	<b>522,891</b>	<b>782</b>	<b>523,673</b>	<b>243,182</b>	<b>46.51%</b>

The above table shows the total revenue of R522.9 million for adjustment budget 2017/18, which is 0.15% less compared to the total approved revenue budget of R523.7 million.

- The interest on outstanding debtors as at 31 December was standing at 13.17 % which clearly reflects that the target is not achievable, therefore it has been adjusted downwards by R500 thousand which is 13.66% of total revenue budgeted.
- R200 thousand has been transferred from transfers recognised–operational to transfers recognised–capital (MIG). The R782 thousand as approved rollover.

Other revenue items such as property rates and all other municipal service charges were not adjusted since they were on the right target after reviewing the mid–year performance report. Breakdown projections of the Municipal Revenue per service which remained the same as approved budget 2017/18 is illustrated below as follows:

- The Municipal Assessment rates of R 113.6 million,
- Service charges on electricity R124.1 million,
- Service charges on refuse removal R18.1 million,
- Rental facilities R500 thousand,
- Interest earned on call accounts R1 million,
- Traffic fines R451 thousand,
- Licence permits R11.9 million and Agency fees R2.7 million
- And other revenue R1.7 million

The following table reflects the Approved Operating expenditure budget 2017/18, Mid-year performance and proposed revised budget

R thousands	Budget 2017/18	Adj Amounts	Total Adj Budget	Mid-Year Outcome	Percentage%
<b>Expenditure By Type</b>					
Employee related costs	143,682	( 421)	143,261	61,935	43.11%
Remuneration of councillors	14,804	–	14,804	7,535	50.90%
Debt impairment	37,799	–	37,799	–	0.00%
Depreciation & asset impairment	70,117	–	70,117	29,897	42.64%
Finance charges	745	–	745	268	36.03%
Bulk purchases	98,163	–	98,163	34,132	34.77%
Contracted services	45,319	( 1,230)	44,089	19,880	43.87%
Other expenditure	95,758	1,651	97,409	32,358	33.79%
<b>Total Expenditure</b>	<b>506,387</b>	<b>-</b>	<b>506,387</b>	<b>186,006</b>	<b>36.73%</b>
<b>Surplus</b>	<b>16,504</b>	<b>782</b>	<b>17,286</b>	<b>57,176</b>	

Total Adjusted Operating expenditure budget 2017/18 remained unchanged at R506.4 million

- Employee related has been adjusted downwards by R421 thousands from original budget, it is now amounting to R132.6 million which constitutes 28.29% of total operating budget.
- Remuneration of councillors not adjusted, therefore it shall remain R14.8 million. Upper limits of councillors 2017/18 has been considered
- Debt impairment not adjusted, remained R37.8 million
- Depreciation has remained unchanged at R70.1 million, taking into account the audited fixed assets register.



- Bulk purchases was not adjusted, therefore it shall remain at the estimated amount of R98.2 million
- Finance charges remained unchanged at R745 thousand
- Contracted services reduced by R1.2 million, most operational projects of which the service providers have not yet been appointed this financial year, the budgeted amount has been adjusted downwards from R45.3 million to R44.1 million.
- And other expenditure increased by R1.7 million, General Expenditure after adjustment amount to R97.4 million.

The below table shows the total revenue by vote of R523.7 million for adjustment budget 2017/18, which is 0.15% more compared to the total approved revenue budget of R522.9 million.

- The capital revenue grants was increased by R782 thousands from approved rollover on MIG
- Other departments' revenue budget remained unchanged during 2017/18 adjustment budget.

Revenue by Vote R000	Budget 2017/18	Adj Amounts	Total Adj Budget	Mid-Year Outcome	Percentage%
Vote 1 - Executive and Council	-	-	-	1,739	0.00%
Vote 2 - Budget and Treasury Department	292,222	-	292,222	155,255	53.13%
Vote 3 - Corporate Services	651	-	651	524	80.57%
Vote 4 - Community and Social Services	39,180	-	39,180	16,657	42.51%
Vote 5 - Planning and Development	62	-	62	1,536	2463.04%
Vote 6 - Technical Services Department	190,775	782	191,557	67,470	35.37%
<b>Total Revenue by Vote</b>	<b>522,891</b>	<b>782</b>	<b>523,673</b>	<b>243,182</b>	<b>46.51%</b>

Total Adjusted operating expenditure budget 2017/18 by vote amount to R506.4 million, which remains unchanged.

The municipality reflects an adjustment budget surplus of R17.3 million.

Expenditure by Vote R000	Budget 2017/18	Adj Amounts	Total Adj Budget	Mid-Year Outcome	Percentage%
Vote 1 - Executive and Council	51,677	-	51,677	23,412	45.30%
Vote 2 - Budget and Treasury Department	90,697	-	90,697	23,119	25.49%
Vote 3 - Corporate Services	46,124	-	46,124	21,895	47.47%
Vote 4 - Community and Social Services	78,540	-	78,540	29,041	36.98%
Vote 5 - Planning and Development	15,494	-	15,494	4,356	28.11%
Vote 6 - Technical Services Department	223,855	-	223,855	84,184	37.61%
<b>Total Expenditure by Vote</b>	<b>506,387</b>	<b>-</b>	<b>506,387</b>	<b>186,006</b>	<b>36.73%</b>
<b>Surplus</b>	<b>16,504</b>	<b>782</b>	<b>17,286</b>	<b>57,176</b>	<b>346.44%</b>

Description	Budget/OpenBalance	Adjustment amount	Total	Mid-Year Outcome	Percentage%
Equitable Share	120,392	-	120,392	89,976	74.74%
Financial Management Grant(FMG)	2,145	-	2,145	1,553	72.39%
Energy Efficiency Demand Grant	5,000	-	5,000	-	0.00%
Electrification Grant	9,000	-	9,000	-	0.00%
Municipal infrastructure Grant(MIG)	39,619	782	40,401	19,485	49.18%
EPWP	1,000	-	1,000	250	25.00%
<b>TOTAL</b>	<b>177,156</b>	<b>782</b>	<b>177,938</b>	<b>111,264</b>	<b>62.81%</b>

## Projects funded by Municipal Infrastructure Grants (MIG)

Description of MIG Project	Original Budget	Adjustment Budget	Mid-Year Expenditure	Balance	Total ADJ Budget 2017/18
Construction of Mashishimale Sports Complex	16,042,169	-531,074	7,191,422	8,852,747	15,511,095
Benfarm Street Paving	5,916,831	-1,401,226	4,515,605	1,401,226	4,515,605
Construction of Selwane Sports Complex	5,300,000	701,755	5,686,203	-386,203	6,001,755
Tambo Street Paving Phase 2	5,500,000	705,230	-	5,500,000	6,205,230
Tshelang Gape to R71 Upgrading of Street	5,460,000	1,015,023	1,000,000	4,460,000	6,475,023
Topville to Score Street Paving	-	492,292	492,292	-26,292	492,292
<b>Total MIG Capex</b>	<b>38,219,000</b>	<b>982,000</b>	<b>18,885,522</b>	<b>19,801,478</b>	<b>39,201,000</b>

## Projects funded internally

Description	Budget/Open Bal	Adjustment amount	Mid-Year Outcome	Balance	Total ADJ Budget
REVENUE RECOVERY INSTALLATION OF PREPAID	500	-	-	500	500
UPGRADING OF ICT INFRASTRUCTURE	1,000	-	106	894	1,000
REVAMP OF CHAMBER & MAYORAL PARLOUR	1,000	-	-	1,000	1,000
FURNITURE AND EQUIPMENT	500	-	112	388	500
RIDE-ON-MOWERS	300	-	-	300	300
PUSH MOWERS	150	-	129	21	150
TWO TRAFFIC VEHICLE FULLY FITTED	400	-	-	400	400
ESTABLISHMENT OF 24 HR CALL CENTRE	300	-	-	300	300
PURCHASE OF REFUSE TRUCK	2,500	-	-	2,500	2,500
UPGRADING OF SINGLE PHASE NETWK IN EXT1	1,500	2,711	1,500	(0)	4,211
UPGRADING OF SELATI SUBSTATION	4,000	(2,311)	1,469	2,531	1,689
INSTALLATION OF ELECTRICAL NETWORK NRS48	750	(400)	-	750	350
INSTALLATION OF STORM WATER CULVERT	3,000	-	-	3,000	3,000
<b>TOTAL</b>	<b>15,900</b>	<b>-</b>	<b>3,316</b>	<b>12,584</b>	<b>15,900</b>

- o Total budgeted Capital expenditure increased from R63,1 million to R64,1 million

# **ADJUSTMENT BUDGET TABLES**

## **2017/18**

## 2. ADJUSTMENT BUDGET TABLES

### 2.1. Adjustment Budget Summary

LIM334 Ba-Phalaborwa - Table B1 Adjustments Budget Summary -

LIM334 Ba-Phalaborwa - Table B1

Adjustments Budget Summary -

Description	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
	A	1 A1	2 B	3 C	4 D	5 E	6 F	7 G	8 H		
<b>R thousands</b>											
<b>Financial Performance</b>											
Property rates	113,609	-	-	-	-	-	-	-	113,609	120,085	126,810
Service charges	142,239	-	-	-	-	-	-	-	142,239	150,347	158,766
Investment revenue	538	-	-	-	-	-	500	500	1,038	569	601
Transfers recognised - operational	129,937	-	-	-	-	-	(200)	(200)	129,737	139,931	147,774
Other own revenue	89,348	-	-	-	-	-	(500)	(500)	88,848	90,335	91,359
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>475,672</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(200)</b>	<b>(200)</b>	<b>475,472</b>	<b>501,266</b>	<b>525,310</b>
Employee costs	143,682	-	-	-	-	-	(421)	(421)	143,261	153,308	163,427
Remuneration of councillors	14,804	-	-	-	-	-	-	-	14,804	15,796	16,839
Depreciation & asset impairment	70,117	-	-	-	-	-	-	-	70,117	74,114	78,264
Finance charges	745	-	-	-	-	-	-	-	745	787	831
Materials and bulk purchases	98,163	-	-	-	-	-	-	-	98,163	103,759	109,569
Transfers and grants	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	178,876	-	-	-	-	-	421	421	179,296	185,831	196,879
<b>Total Expenditure</b>	<b>506,387</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>506,387</b>	<b>533,595</b>	<b>565,809</b>
<b>Surplus/(Deficit)</b>	<b>(30,715)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(200)</b>	<b>(200)</b>	<b>(30,915)</b>	<b>(32,329)</b>	<b>(40,499)</b>
Transfers recognised - capital	47,219	-	-	-	-	-	982	982	48,201	36,243	54,352
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>16,504</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>782</b>	<b>782</b>	<b>17,286</b>	<b>3,914</b>	<b>13,853</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>16,504</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>782</b>	<b>782</b>	<b>17,286</b>	<b>3,914</b>	<b>13,853</b>
<b>Capital expenditure &amp; funds sources</b>											

<b>Capital expenditure</b>	63,119	-	-	-	-	-	982	982	64,101	50,303	79,948
Transfers recognised - capital	47,219	-	-	-	-	-	982	982	48,201	34,403	54,352
Public contributions & donations	-	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds	15,900	-	-	-	-	-	-	-	15,900	15,900	25,596
<b>Total sources of capital funds</b>	<b>63,119</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>982</b>	<b>982</b>	<b>64,101</b>	<b>50,303</b>	<b>79,948</b>
<b>Financial position</b>											
Total current assets	599,754	-	-	-	-	-	-	-	599,754	599,854	599,954
Total non current assets	1,070,539	-	-	-	-	-	-	-	1,070,539	1,070,539	1,070,539
Total current liabilities	3,060	-	-	-	-	-	-	-	3,060	3,060	3,060
Total non current liabilities	215,050	-	-	-	-	-	-	-	215,050	215,050	215,050
<b>Community wealth/Equity</b>	<b>1,438,268</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,438,268</b>	<b>1,451,841</b>	<b>1,442,504</b>
<b>Cash flows</b>											
Net cash from (used) operating	47,857	-	-	-	-	-	-	-	47,857	38,812	59,693
Net cash from (used) investing	(47,219)	-	-	-	-	-	-	-	(47,219)	(36,243)	(54,352)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	-	-
<b>Cash/cash equivalents at the year end</b>	<b>1,899</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,899</b>	<b>4,468</b>	<b>9,809</b>
<b>Cash backing/surplus reconciliation</b>											
Cash and investments available	3,061	-	-	-	-	-	-	-	3,061	3,161	3,261
Application of cash and investments	(98,238)	-	-	-	-	-	(142)	(142)	(98,380)	(117,560)	(141,772)
<b>Balance - surplus (shortfall)</b>	<b>101,298</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>142</b>	<b>142</b>	<b>101,441</b>	<b>120,721</b>	<b>145,033</b>
<b>Asset Management</b>											
Asset register summary (WDV)	870,237	-	-	-	-	-	-	-	870,237	870,237	870,237
Depreciation & asset impairment	70,117	-	-	-	-	-	-	-	70,117	74,114	78,264
Renewal of Existing Assets	-	-	-	-	-	-	-	-	-	-	-
Repairs and Maintenance	25,406	-	-	-	-	-	-	-	25,406	26,569	27,777
<b>Free services</b>											
Cost of Free Basic Services provided	1,563	-	-	-	-	-	-	-	1,563	1,652	1,744
Revenue cost of free services provided	27,891	-	-	-	-	-	-	-	27,891	27,891	27,891
<b>Households below minimum service level</b>											
Water:	-	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	6	-	-	-	-	-	-	-	6	6	6
Energy:	-	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-	-

Total budgeted annual **Revenue** adjusted upwards from **R522, 9 million** to **R523.7 million**.

Total budgeted annual operating **Expenditure** remained unchanged at **R506.4 million**.

Total budgeted Capital expenditure **increased from R63, 1 million** to **R64,1 million**.

## 1.2 Adjustment Budget Financial Performance ( Standard Classification )

LIM334 Ba-Phalaborwa - Table B2 Adjustments Budget Financial Performance (functional classification) -

Standard Description	Ref	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	1, 4	A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H		
<b>Revenue - Functional</b>												
<b>Governance and administration</b>		292,872	-	-	-	-	-	-	-	292,872	310,833	325,495
Executive and council		-	-	-	-	-	-	-	-	-	-	-
Finance and administration		292,872	-	-	-	-	-	-	-	292,872	310,833	325,495
Internal audit		-	-	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		293	-	-	-	-	-	-	-	293	310	328
Community and social services		293	-	-	-	-	-	-	-	293	310	328
<b>Economic and environmental services</b>		56,579	-	-	-	-	-	782	782	57,361	51,113	54,166
Planning and development		691	-	-	-	-	-	-	-	691	731	772
Road transport		55,888	-	-	-	-	-	782	782	56,670	50,382	53,395
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		173,146	-	-	-	-	-	-	-	173,146	175,254	199,673
Energy sources		149,311	-	-	-	-	-	-	-	149,311	150,386	173,733
Waste management		23,835	-	-	-	-	-	-	-	23,835	24,868	25,940
<b>Other</b>		-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	2	522,891	-	-	-	-	-	782	782	523,673	537,509	579,662
<b>Expenditure - Functional</b>	-											
<b>Governance and administration</b>		186,425	-	-	-	-	-	-	-	186,425	196,408	208,322
Executive and council		32,969	-	-	-	-	-	-	-	32,969	35,115	37,366
Finance and administration		136,821	-	-	-	-	-	-	-	136,821	143,677	152,318
Internal audit		16,635	-	-	-	-	-	-	-	16,635	17,616	18,638
<b>Community and public safety</b>		44,684	-	-	-	-	-	-	-	44,684	47,530	50,510
Community and social services		7,352	-	-	-	-	-	-	-	7,352	7,823	8,316
Sport and recreation		20,752	-	-	-	-	-	-	-	20,752	22,032	23,369
Health		16,580	-	-	-	-	-	-	-	16,580	17,675	18,825
<b>Economic and environmental services</b>		129,179	-	-	-	-	-	-	-	129,179	135,390	144,215
Planning and development		40,164	-	-	-	-	-	-	-	40,164	42,102	45,431
Road transport		89,016	-	-	-	-	-	-	-	89,016	93,288	98,784
Environmental protection		-	-	-	-	-	-	-	-	-	-	-



<b>Trading services</b>		<b>146,099</b>	-	-	-	-	-	-	-	<b>146,099</b>	<b>154,268</b>	<b>162,762</b>
Energy sources		136,851	-	-	-	-	-	-	-	136,851	144,479	152,409
Waste management		9,247	-	-	-	-	-	-	-	9,247	9,789	10,353
<b>Other</b>		-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	<b>3</b>	<b>506,387</b>	-	-	-	-	-	-	-	<b>506,387</b>	<b>533,595</b>	<b>565,809</b>
<b>Surplus/ (Deficit) for the year</b>		<b>16,504</b>	-	-	-	-	-	<b>782</b>	<b>782</b>	<b>17,286</b>	<b>3,914</b>	<b>13,853</b>

- The above table illustrates expenditure adjustment budget per municipal vote

### 1.3 Adjustment Budget Financial Performance (Revenue and Expenditure by Municipal Vote)

LIM334 Ba-Phalaborwa - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) -

Vote Description  <i>[Insert departmental structure etc]</i>	Ref	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			3	4	5	6	7	8	9	10		
<b>R thousands</b>		A	A1	B	C	D	E	F	G	H		
<b>Revenue by Vote</b>	1											
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury Department		292,222	-	-	-	-	-	-	-	292,222	310,145	324,768
Vote 3 - Corporate Services		651	-	-	-	-	-	-	-	651	688	726
Vote 4 - Community and Social Services		39,181	-	-	-	-	-	-	-	39,181	41,088	43,069
Vote 5 - Planning and Development		62	-	-	-	-	-	-	-	62	66	70
Vote 6 - Technical Services Department		190,775	-	-	-	-	-	782	782	191,557	185,522	211,028
0		-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	<b>522,891</b>	-	-	-	-	-	<b>782</b>	<b>782</b>	<b>523,673</b>	<b>537,509</b>	<b>579,662</b>
<b>Expenditure by Vote</b>	1											
Vote 1 - Executive and Council		51,677	-	-	-	-	-	-	-	51,677	54,939	58,354
Vote 2 - Budget and Treasury Department		90,697	-	-	-	-	-	-	-	90,697	94,854	100,417
Vote 3 - Corporate Services		46,124	-	-	-	-	-	-	-	46,124	48,823	51,901
Vote 4 - Community and Social Services		78,540	-	-	-	-	-	-	-	78,540	83,452	88,591
Vote 5 - Planning and Development		15,494	-	-	-	-	-	-	-	15,494	15,948	17,729
Vote 6 - Technical Services Department		223,855	-	-	-	-	-	-	-	223,855	235,579	248,818
0		-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	<b>506,387</b>	-	-	-	-	-	-	-	<b>506,387</b>	<b>533,595</b>	<b>565,809</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>16,504</b>	-	-	-	-	-	<b>782</b>	<b>782</b>	<b>17,286</b>	<b>3,914</b>	<b>13,853</b>

## 1.4 Budgeted Financial Performance

LIM334 Ba-Phalaborwa - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) -

Description	Ref	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	1	A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
<b>Revenue By Source</b>												
Property rates	2	113,609	-	-	-	-	-	-	-	113,609	120,085	126,810
Service charges - electricity revenue	2	124,121	-	-	-	-	-	-	-	124,121	131,196	138,543
Service charges - refuse revenue	2	18,119	-	-	-	-	-	-	-	18,119	19,151	20,224
Rental of facilities and equipment		500							-	500	529	558
Interest earned - external investments		538						500	500	1,038	569	601
Interest earned - outstanding debtors		72,042						(500)	(500)	71,542	72,042	72,042
Fines, penalties and forfeits		451							-	451	476	503
Licences and permits		11,922							-	11,922	12,602	13,308
Agency services		2,701							-	2,701	2,855	3,015
Transfers and subsidies		129,937						(200)	(200)	129,737	139,931	147,774
Other revenue	2	1,732	-	-	-	-	-	-	-	1,732	1,831	1,933
Gains on disposal of PPE									-	-		
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>475,672</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(200)</b>	<b>(200)</b>	<b>475,472</b>	<b>501,266</b>	<b>525,310</b>
<b>Expenditure By Type</b>												
Employee related costs	-	143,682	-	-	-	-	-	(421)	(421)	143,261	153,308	163,427
Remuneration of councillors		14,804							-	14,804	15,796	16,839
Debt impairment		37,799							-	37,799	39,953	42,191
Depreciation & asset impairment		70,117	-	-	-	-	-	-	-	70,117	74,114	78,264
Finance charges		745							-	745	787	831
Bulk purchases		98,163	-	-	-	-	-	-	-	98,163	103,759	109,569
Contracted services		45,319	-	-	-	-	-	(1,230)	(1,230)	44,089	46,004	49,501
Transfers and subsidies									-	-		
Other expenditure		95,758	-	-	-	-	-	1,651	1,651	97,409	99,874	105,187
Loss on disposal of PPE									-	-		
<b>Total Expenditure</b>		<b>506,387</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>506,387</b>	<b>533,595</b>	<b>565,809</b>

<b>Surplus/(Deficit)</b>		<b>(30,715)</b>	-	-	-	-	-	<b>(200)</b>	<b>(200)</b>	<b>(30,915)</b>	<b>(32,329)</b>	<b>(40,499)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		47,219						982	982	48,201	36,243	54,352
Transfers and subsidies - capital (in-kind - all)									-	-		
<b>Surplus/(Deficit) before taxation</b>		<b>16,504</b>	-	-	-	-	-	<b>782</b>	<b>782</b>	<b>17,286</b>	<b>3,914</b>	<b>13,853</b>
Taxation									-	-		
<b>Surplus/(Deficit) after taxation</b>		<b>16,504</b>	-	-	-	-	-	<b>782</b>	<b>782</b>	<b>17,286</b>	<b>3,914</b>	<b>13,853</b>
Attributable to minorities									-	-		
<b>Surplus/(Deficit) attributable to municipality</b>		<b>16,504</b>	-	-	-	-	-	<b>782</b>	<b>782</b>	<b>17,286</b>	<b>3,914</b>	<b>13,853</b>
Share of surplus/ (deficit) of associate									-	-		
<b>Surplus/ (Deficit) for the year</b>		<b>16,504</b>	-	-	-	-	-	<b>782</b>	<b>782</b>	<b>17,286</b>	<b>3,914</b>	<b>13,853</b>

- The interest received on external investments was increased as a results of mid-year performance on call accounts investments as the target was exceeded
- The interest on outstanding debtors was decreased due to mid-year performance
- The R200 MIG operation transferred to Capital recognised and R782 from Unspent Approved rollover for 2016/17

## 1.5 Adjustment Capital Expenditure Budget by Vote and Funding

LIM334 Ba-Phalaborwa - Table B5 Adjustments Capital Expenditure Budget by vote and funding -

Description	Ref	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H		
<b>Capital expenditure - Vote</b>												
<b>Multi-year expenditure to be adjusted</b>	2											
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury Department		500	-	-	-	-	-	-	-	500	500	500
Vote 3 - Corporate Services		2,500	-	-	-	-	-	-	-	2,500	2,500	2,500
Vote 4 - Community and Social Services		3,650	-	-	-	-	-	-	-	3,650	3,650	3,650
Vote 5 - Planning and Development		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Technical Services Department		56,469	-	-	-	-	-	982	982	57,451	43,653	73,298
<b>Capital multi-year expenditure sub-total</b>	3	<b>63,119</b>	-	-	-	-	-	<b>982</b>	<b>982</b>	<b>64,101</b>	<b>50,303</b>	<b>79,948</b>
<b>Capital single-year expenditure sub-total</b>		-	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Vote</b>		<b>63,119</b>	-	-	-	-	-	<b>982</b>	<b>982</b>	<b>64,101</b>	<b>50,303</b>	<b>79,948</b>
<b>Capital Expenditure - Functional</b>												
<b>Governance and administration</b>		<b>3,000</b>	-	-	-	-	-	-	-	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>
Executive and council										-	-	-
Finance and administration		3,000								3,000	3,000	3,000
Internal audit										-	-	-
<b>Community and public safety</b>		<b>17,192</b>	-	-	-	-	-	-	-	<b>17,192</b>	<b>1,150</b>	<b>1,150</b>
Community and social services		450								450	450	450
Sport and recreation		16,042								16,042	-	-
Public safety		700								700	700	700
<b>Economic and environmental services</b>		<b>25,177</b>	-	-	-	-	-	<b>982</b>	<b>982</b>	<b>26,159</b>	<b>34,403</b>	<b>48,048</b>
Planning and development										-	-	-
Road transport		25,177						982	982	26,159	34,403	48,048
Environmental protection										-	-	-
<b>Trading services</b>		<b>17,750</b>	-	-	-	-	-	-	-	<b>17,750</b>	<b>11,750</b>	<b>27,750</b>
Energy sources		15,250								15,250	9,250	25,250

Water management									-	-		
Waste water management									-	-		
Waste management		2,500							-	2,500	2,500	2,500
<b>Other</b>									-	-		
<b>Total Capital Expenditure - Functional</b>	3	<b>63,119</b>	-	-	-	-	-	<b>982</b>	<b>982</b>	<b>64,101</b>	<b>50,303</b>	<b>79,948</b>
<b>Funded by:</b>												
National Government		47,219						982	982	48,201	34,403	54,352
Provincial Government									-	-		
District Municipality									-	-		
Other transfers and grants									-	-		
<b>Transfers recognised - capital</b>	4	<b>47,219</b>	-	-	-	-	-	<b>982</b>	<b>982</b>	<b>48,201</b>	<b>34,403</b>	<b>54,352</b>
<b>Public contributions &amp; donations</b>									-	-		
<b>Borrowing</b>									-	-		
<b>Internally generated funds</b>		15,900							-	15,900	15,900	25,596
<b>Total Capital Funding</b>		<b>63,119</b>	-	-	-	-	-	<b>982</b>	<b>982</b>	<b>64,101</b>	<b>50,303</b>	<b>79,948</b>

## 1.6 Adjustment Budget Financial Position

### LIM334 Ba-Phalaborwa - Table B6 Adjustments Budget Financial Position -

Description	Ref	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
<b>R thousands</b>		A	A1	B	C	D	E	F	G	H		
<b>ASSETS</b>												
<b>Current assets</b>												
Cash		1,261							-	1,261	1,261	1,261
Call investment deposits	1	1,800	-	-	-	-	-	-	-	1,800	1,900	2,000
Consumer debtors	1	144,976	-	-	-	-	-	-	-	144,976	144,976	144,976
Other debtors									-	-		
Current portion of long-term receivables									-	-		
Inventory		451,717							-	451,717	451,717	451,717
<b>Total current assets</b>		<b>599,754</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>599,754</b>	<b>599,854</b>	<b>599,954</b>
<b>Non current assets</b>												
Long-term receivables									-	-		
Investments									-	-		
Investment property		43,858							-	43,858	43,858	43,858
Investment in Associate									-	-		
Property, plant and equipment	1	1,025,129	-	-	-	-	-	-	-	1,025,129	1,025,129	1,025,129
Agricultural									-	-		
Biological		267							-	267	267	267
Intangible		1,285							-	1,285	1,285	1,285
Other non-current assets									-	-		
<b>Total non current assets</b>		<b>1,070,539</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,070,539</b>	<b>1,070,539</b>	<b>1,070,539</b>
<b>TOTAL ASSETS</b>		<b>1,670,293</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,670,293</b>	<b>1,670,393</b>	<b>1,670,493</b>
<b>LIABILITIES</b>												
<b>Current liabilities</b>	-											
Bank overdraft									-	-		
Borrowing		-	-	-	-	-	-	-	-	-	-	-
Consumer deposits		3,060							-	3,060	3,060	3,060
Trade and other payables		-	-	-	-	-	-	-	-	-	-	-
Provisions									-	-		

<b>Total current liabilities</b>		<b>3,060</b>	-	-	-	-	-	-	-	<b>3,060</b>	<b>3,060</b>	<b>3,060</b>
<b>Non current liabilities</b>												
Borrowing	1	147,172	-	-	-	-	-	-	-	147,172	147,172	147,172
Provisions	1	67,878	-	-	-	-	-	-	-	67,878	67,878	67,878
<b>Total non current liabilities</b>		<b>215,050</b>	-	-	-	-	-	-	-	<b>215,050</b>	<b>215,050</b>	<b>215,050</b>
<b>TOTAL LIABILITIES</b>		<b>218,110</b>	-	-	-	-	-	-	-	<b>218,110</b>	<b>218,110</b>	<b>218,110</b>
<b>NET ASSETS</b>	2	<b>1,452,183</b>	-	-	-	-	-	-	-	<b>1,452,183</b>	<b>1,452,283</b>	<b>1,452,383</b>
<b>COMMUNITY WEALTH/EQUITY</b>												
Accumulated Surplus/(Deficit)		1,438,268	-	-	-	-	-	-	-	1,438,268	1,451,841	1,442,504
Reserves		-	-	-	-	-	-	-	-	-	-	-
Minorities' interests		-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>		<b>1,438,268</b>	-	-	-	-	-	-	-	<b>1,438,268</b>	<b>1,451,841</b>	<b>1,442,504</b>



## 1.7 Adjustment Budget Cash Flows

LIM334 Ba-Phalaborwa - Table B7 Adjustments Budget Cash Flows -

Description	Ref	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>												
<b>Receipts</b>												
Property rates		47,729							-	47,729	60,139	75,775
Service charges		173,224							-	173,224	218,262	275,010
Other revenue		12,957							-	12,957	14,143	17,820
Government - operating	1	129,937							-	129,937	139,931	147,774
Government - capital	1	47,219						-	-	47,219	36,243	54,352
Interest		4,852							-	4,852	6,114	7,703
Dividends									-	-	-	-
<b>Payments</b>												
Suppliers and employees		(367,316)							-	(367,316)	(435,082)	(517,560)
Finance charges		(745)							-	(745)	(938)	(1,182)
Transfers and Grants	1								-	-		
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>47,857</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>47,857</b>	<b>38,812</b>	<b>59,693</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>												
<b>Payments</b>												
Capital assets		(47,219)							-	(47,219)	(36,243)	(54,352)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(47,219)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(47,219)</b>	<b>(36,243)</b>	<b>(54,352)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>												
Repayment of borrowing									-	-		
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>638</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>638</b>	<b>2,569</b>	<b>5,341</b>
Cash/cash equivalents at the year begin:	2	1,261							-	1,261	1,899	4,468
Cash/cash equivalents at the year end:	2	1,899							-	1,899	4,468	9,809

## 1.8 Cash Backed Reserves /Accumulated Surplus Reconciliation

LIM334 Ba-Phalaborwa - Table B8 Cash backed reserves/accumulated surplus reconciliation - 2017/02/28

Description	Ref	Budget Year 2017/18									Budget Year +1 2017/18	Budget Year +2 2018/19
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
<b>Cash and investments available</b>												
Cash/cash equivalents at the year end	1	1,849	-	-	-	-	-	(588)	(588)	1,261	559	2,035
Other current investments > 90 days		1,800	-	-	-	-	-	(0)	(0)	1,800	1,900	2,000
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-	-
<b>Cash and investments available:</b>		<b>3,649</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(588)</b>	<b>(588)</b>	<b>3,061</b>	<b>2,459</b>	<b>4,035</b>
<b>Applications of cash and investments</b>												
Other working capital requirements	2	(72,700)	-	-	-	-	-	(18,359)	(18,359)	(91,060)	(72,899)	(73,114)
<b>Total Application of cash and investments:</b>		<b>(72,700)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(18,359)</b>	<b>(18,359)</b>	<b>(91,060)</b>	<b>(72,899)</b>	<b>(73,114)</b>
<b>Surplus(shortfall)</b>		<b>76,350</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,771</b>	<b>17,771</b>	<b>94,120</b>	<b>75,358</b>	<b>77,149</b>

## 1.9 Asset Management

### LIM334 Ba-Phalaborwa - Table B9 Asset Management -

Description	Ref	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
<b>R thousands</b>		A	A1	B	C	D	E	F	G	H		
<b>CAPITAL EXPENDITURE</b>												
<b><u>Total New Assets to be adjusted</u></b>	1	63,119	-	-	-	-	-	982	982	64,101	50,303	79,948
<i>Roads Infrastructure</i>		25,177	-	-	-	-	-	982	982	26,159	34,403	48,048
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		15,250	-	-	-	-	-	-	-	15,250	9,250	25,250
Infrastructure		40,427	-	-	-	-	-	982	982	41,409	43,653	73,298
Community Facilities		1,150	-	-	-	-	-	-	-	1,150	1,150	1,150
Sport and Recreation Facilities		16,042	-	-	-	-	-	-	-	16,042	-	-
Community Assets		17,192	-	-	-	-	-	-	-	17,192	1,150	1,150
Furniture and Office Equipment		3,000	-	-	-	-	-	-	-	3,000	3,000	3,000
Machinery and Equipment		-	-	-	-	-	-	-	-	-	-	-
Transport Assets		2,500	-	-	-	-	-	-	-	2,500	2,500	2,500
<b><u>Total Capital Expenditure to be adjusted</u></b>	4											
<i>Roads Infrastructure</i>		25,177	-	-	-	-	-	982	982	26,159	34,403	48,048
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		15,250	-	-	-	-	-	-	-	15,250	9,250	25,250
Infrastructure		40,427	-	-	-	-	-	982	982	41,409	43,653	73,298
Community Facilities		1,150	-	-	-	-	-	-	-	1,150	1,150	1,150
Sport and Recreation Facilities		16,042	-	-	-	-	-	-	-	16,042	-	-
Community Assets		17,192	-	-	-	-	-	-	-	17,192	1,150	1,150
Furniture and Office Equipment		3,000	-	-	-	-	-	-	-	3,000	3,000	3,000
Transport Assets		2,500	-	-	-	-	-	-	-	2,500	2,500	2,500

Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL CAPITAL EXPENDITURE to be adjusted</b>	<b>4</b>	<b>63,119</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>982</b>	<b>982</b>	<b>64,101</b>	<b>50,303</b>	<b>79,948</b>
<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>	<b>5</b>											
<i>Roads Infrastructure</i>		280,645							-	280,645	280,645	280,645
<i>Storm water Infrastructure</i>		18,517							-	18,517	18,517	18,517
<i>Electrical Infrastructure</i>		99,463							-	99,463	99,463	99,463
<i>Information and Communication Infrastructure</i>									-			
Infrastructure		398,625	-	-	-	-	-	-	-	398,625	398,625	398,625
Community Facilities		121,835							-	121,835	121,835	121,835
Sport and Recreation Facilities		36,428							-	36,428	36,428	36,428
Community Assets		158,263	-	-	-	-	-	-	-	158,263	158,263	158,263
Heritage Assets									-			
Revenue Generating		42,999							-	42,999	42,999	42,999
Non-revenue Generating									-			
Investment properties		42,999	-	-	-	-	-	-	-	42,999	42,999	42,999
Operational Buildings		256,403							-	256,403	256,403	256,403
Housing									-			
Other Assets		256,403	-	-	-	-	-	-	-	256,403	256,403	256,403
Biological or Cultivated Assets									-			
Servitudes									-			
Licences and Rights		1,285							-	1,285	1,285	1,285
Intangible Assets		1,285	-	-	-	-	-	-	-	1,285	1,285	1,285
Computer Equipment		1,031							-	1,031	1,031	1,031
Furniture and Office Equipment		2,585							-	2,585	2,585	2,585
Machinery and Equipment		2,808							-	2,808	2,808	2,808
Transport Assets		6,169							-	6,169	6,169	6,169
Libraries		69							-	69	69	69
Zoo's, Marine and Non-biological Animals									-			
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	<b>5</b>	<b>870,237</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>870,237</b>	<b>870,237</b>	<b>870,237</b>
<b>EXPENDITURE OTHER ITEMS</b>												

<b>Depreciation &amp; asset impairment</b>		70,117	-	-	-	-	-	-	-	70,117	74,114	78,264
<b>Repairs and Maintenance by asset class</b>	3	<b>25,406</b>	-	-	-	-	-	-	-	<b>25,406</b>	<b>26,569</b>	<b>27,777</b>
<i>Roads Infrastructure</i>		4,781	-	-	-	-	-	-	-	4,781	5,054	5,337
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		11,384	-	-	-	-	-	-	-	11,384	11,748	12,126
<i>Solid Waste Infrastructure</i>		2,521	-	-	-	-	-	-	-	2,521	2,665	2,814
Infrastructure		18,687	-	-	-	-	-	-	-	18,687	19,467	20,277
Community Facilities		3,684	-	-	-	-	-	-	-	3,684	3,894	4,112
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	-	-
Community Assets		3,684	-	-	-	-	-	-	-	3,684	3,894	4,112
Furniture and Office Equipment		2,887	-	-	-	-	-	-	-	2,887	3,051	3,222
Machinery and Equipment		149	-	-	-	-	-	-	-	149	157	166
<b>TOTAL EXPENDITURE OTHER ITEMS to be adjusted</b>		<b>95,523</b>	-	-	-	-	-	-	-	<b>95,523</b>	<b>100,683</b>	<b>106,041</b>

## 1.10 Basic service delivery measurement

LIM334 Ba-Phalaborwa - Table B10 Basic service delivery measurement -

Description	Ref	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
<b>Household service targets</b>	1											
<b><u>Water:</u></b>												
Piped water inside dwelling		15							-	0	15	15
Piped water inside yard (but not in dwelling)		19							-	0	19	19
Using public tap (at least min.service level)	2	3812							-	4	3812	3812
Other water supply (at least min.service level)		413							-	0	0	0
<i>Minimum Service Level and Above sub-total</i>	4	-	-	-	-	-	-	-	-	4	4	4
<b>Total number of households</b>	5	4	-	-	-	-	-	-	-	4	4	4
<b><u>Sanitation/sewerage:</u></b>												
Flush toilet (connected to sewerage)		16638							-	16,638	16638	16638
Flush toilet (with septic tank)		860							-	860	860	860
Chemical toilet		424							-	424	424	424
Pit toilet (ventilated)		6718							-	6,718	6718	6718
Other toilet provisions (> min.service level)		10833							-	10,833	10833	10833
<i>Minimum Service Level and Above sub-total</i>		35,473	-	-	-	-	-	-	-	35,473	35,473	35,473
Bucket toilet		80							-	80	80	80
Other toilet provisions (< min.service level)		864							-	864	864	864
No toilet provisions		4698							-	4,698	4698	4698
<i>Below Minimum Service Level sub-total</i>		5,642	-	-	-	-	-	-	-	5,642	5,642	5,642
<b>Total number of households</b>	5	41,115	-	-	-	-	-	-	-	41,115	41,115	41,115
<b><u>Energy:</u></b>												
Electricity (at least min. service level)		37345							-	37,345	37345	37345
Electricity - prepaid (> min.service level)									-	-		
<i>Minimum Service Level and Above sub-total</i>		37,345	-	-	-	-	-	-	-	37,345	37,345	37,345
<b>Total number of households</b>	5	37,345	-	-	-	-	-	-	-	37,345	37,345	37,345
<b><u>Refuse:</u></b>												
Electricity/other energy (50kwh per household per month)		5500							-	5,500	6500	7500
Refuse (removed at least once a week)		2500							-	2,500	3500	4500

<b>Cost of Free Basic Services provided (R'000)</b>	16											
Water (6 kilolitres per household per month)									-	-		
Sanitation (free sanitation service)									-	-		
Electricity/other energy (50kwh per household per month)	48								-	48	51	54
Refuse (removed once a week)	1,515								-	1,515	1,601	1,691
<b>Total cost of FBS provided (minimum social package)</b>	1,563	-	-	-	-	-	-	-	-	1,563	1,652	1,744
<b>Highest level of free service provided</b>												
Electricity (kw per household per month)	53.2								-	53	56.2324	59.3814144
Refuse (average litres per week)									-	-		
<b>Revenue cost of free services provided (R'000)</b>	17											
Property rates (R15 000 threshold rebate)									-	-		
Property rates (other exemptions, reductions and rebates)	27,891								-	27,891	27,891	27,891
<b>Total revenue cost of free services provided (total social package)</b>	27,891	-	-	-	-	-	-	-	-	27,891	27,891	27,891

# **PART TWO**

# **ADJUSTMENT BUDGET**

# **SUPPORTING TABLES**



## 2.1. Supporting details to budgeted financial performance

LIM334 Ba-Phalaborwa - Supporting Table SB1 Supporting detail to 'Budgeted Financial Performance' -

Description	Ref	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	6 A1	7 B	8 C	9 D	10 E	11 F	12 G	13 H		
<b>R thousands</b>		A	A1	B	C	D	E	F	G	H		
<b>REVENUE ITEMS</b>												
<b>Property rates</b>												
Total Property Rates		141,501							-	141,501	147,976	154,701
less Revenue Foregone		27,891							-	27,891	27,891	27,891
<b>Net Property Rates</b>		<b>113,609</b>	-	-	-	-	-	-	-	<b>113,609</b>	<b>120,085</b>	<b>126,810</b>
<b>Service charges - electricity revenue</b>												
Total Service charges - electricity revenue		124,169							-	124,169	131,246	138,596
less Revenue Foregone		48							-	48	51	54
<b>Net Service charges - electricity revenue</b>		<b>124,121</b>	-	-	-	-	-	-	-	<b>124,121</b>	<b>131,196</b>	<b>138,543</b>
<b>Service charges - refuse revenue</b>												
Total refuse removal revenue		19,633							-	19,633	20,752	21,914
Total landfill revenue									-	-		
less Revenue Foregone		1,515							-	1,515	1,601	1,691
<b>Net Service charges - refuse revenue</b>		<b>18,119</b>	-	-	-	-	-	-	-	<b>18,119</b>	<b>19,151</b>	<b>20,224</b>
<b>Other Revenue By Source</b>												
List other revenue by source		1,732							-	1,732	1,831	1,933
<b>Total 'Other' Revenue</b>	1	<b>1,732</b>	-	-	-	-	-	-	-	<b>1,732</b>	<b>1,831</b>	<b>1,933</b>
<b>EXPENDITURE ITEMS</b>												
<b>Employee related costs</b>												
Basic Salaries and Wages		89,326						(421)	(421)	88,905	95,311	101,601
Pension and UIF Contributions		17,419							-	17,419	18,587	19,813
Medical Aid Contributions		5,475							-	5,475	5,842	6,228
Overtime		4,603							-	4,603	4,912	5,236
Performance Bonus									-	-		
Motor Vehicle Allowance		13,567							-	13,567	14,476	15,432
Cellphone Allowance		1,405							-	1,405	1,499	1,598
Housing Allowances		1,062							-	1,062	1,133	1,208
Other benefits and allowances		7,843							-	7,843	8,369	8,921

Payments in lieu of leave									-	-		
Long service awards		2,980							-	2,980	3,179	3,389
Post-retirement benefit obligations									-	-		
<b>sub-total</b>	4	<b>143,682</b>	-	-	-	-	-	(421)	(421)	<b>143,261</b>	<b>153,308</b>	<b>163,427</b>
<u>Less: Employees costs capitalised to PPE</u>									-	-		
<b>Total Employee related costs</b>	1	<b>143,682</b>	-	-	-	-	-	(421)	(421)	<b>143,261</b>	<b>153,308</b>	<b>163,427</b>
<b>Depreciation &amp; asset impairment</b>												
Depreciation of Property, Plant & Equipment		70,117							-	70,117	74,114	78,264
Lease amortisation									-	-		
Capital asset impairment									-	-		
Depreciation resulting from revaluation of PPE									-	-		
<b>Total Depreciation &amp; asset impairment</b>	1	<b>70,117</b>	-	-	-	-	-	-	-	<b>70,117</b>	<b>74,114</b>	<b>78,264</b>
<b>Bulk purchases</b>												
Electricity Bulk Purchases		98,163							-	98,163	103,759	109,569
Water Bulk Purchases									-	-		
<b>Total bulk purchases</b>	1	<b>98,163</b>	-	-	-	-	-	-	-	<b>98,163</b>	<b>103,759</b>	<b>109,569</b>
<b>Contracted services</b>												
<i>List services provided by contract</i>		45,319						(1,230)	(1,230)	44,089	46,004	49,501
<b>sub-total</b>	1	<b>45,319</b>	-	-	-	-	-	(1,230)	(1,230)	<b>44,089</b>	<b>46,004</b>	<b>49,501</b>
<b>Allocations to organs of state:</b>												
Other									-	-		
<b>Total contracted services??</b>		<b>45,319</b>	-	-	-	-	-	(1,230)	(1,230)	<b>44,089</b>	<b>46,004</b>	<b>49,501</b>
<b>Other Expenditure By Type</b>												
General expenses	3,5								-	-		
<i>List Other Expenditure by Type</i>		95,758						1,651	1,651	97,409	99,874	105,187
<b>Total Other Expenditure</b>	1	<b>95,758</b>	-	-	-	-	-	<b>1,651</b>	<b>1,651</b>	<b>97,409</b>	<b>99,874</b>	<b>105,187</b>

## 2.2. Supporting details to financial position budget

### LIM334 Ba-Phalaborwa - Supporting Table SB2 Supporting detail to 'Financial Position Budget' -

Description	Ref	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	4 A1	5 B	6 C	7 D	8 E	9 F	10 G	11 H		
<b>ASSETS</b>												
<b><u>Call investment deposits</u></b>												
Call deposits		1,800							-	1,800	1,900	2,000
Other current investments									-	-		
<b>Total Call investment deposits</b>	1	<b>1,800</b>	-	-	-	-	-	-	-	<b>1,800</b>	<b>1,900</b>	<b>2,000</b>
<b><u>Consumer debtors</u></b>												
Consumer debtors		144,976							-	144,976	144,976	144,976
Less: provision for debt impairment		-	-	-	-	-	-	-	-	-	-	-
<b>Total Consumer debtors</b>	1	<b>144,976</b>	-	-	-	-	-	-	-	<b>144,976</b>	<b>144,976</b>	<b>144,976</b>
<b><u>Property, plant &amp; equipment</u></b>												
PPE at cost/valuation (excl. finance leases)		1,025,129							-	1,025,129	1,025,129	1,025,129
<b>Total Property, plant &amp; equipment</b>	1	<b>1,025,129</b>	-	-	-	-	-	-	-	<b>1,025,129</b>	<b>1,025,129</b>	<b>1,025,129</b>
<b>LIABILITIES</b>												
<b>Total Trade and other payables</b>	1	-	-	-	-	-	-	-	-	-	-	-
<b><u>Non current liabilities - Borrowing</u></b>												
Borrowing	3	147,172							-	147,172	147,172	147,172
Finance leases (including PPP asset element)									-	-		
<b>Total Non current liabilities - Borrowing</b>		<b>147,172</b>	-	-	-	-	-	-	-	<b>147,172</b>	<b>147,172</b>	<b>147,172</b>
Other		67,878							-	67,878	67,878	67,878
<b>Total Provisions - non current</b>		<b>67,878</b>	-	-	-	-	-	-	-	<b>67,878</b>	<b>67,878</b>	<b>67,878</b>
<b>CHANGES IN NET ASSETS</b>												
<b><u>Accumulated surplus/(Deficit)</u></b>												
Accumulated surplus/(Deficit) - opening balance		1,438,268							-	1,438,268	1,451,841	1,442,504
Appropriations to Reserves									-	-		
<b>Accumulated Surplus/(Deficit)</b>	1	<b>1,438,268</b>	-	-	-	-	-	-	-	<b>1,438,268</b>	<b>1,451,841</b>	<b>1,442,504</b>
<b><u>Reserves</u></b>	-											
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>1,438,268</b>	-	-	-	-	-	-	-	<b>1,438,268</b>	<b>1,451,841</b>	<b>1,442,504</b>

## 2.3 Supporting information to budgeted performance indicators and benchmarks

LIM334 Ba-Phalaborwa - Supporting Table SB4 Adjustments to budgeted performance indicators and benchmarks -

Description of financial indicator	Basis of calculation	2014/15	2015/16	2016/17	Budget Year 2017/18			Budget Year +1 2018/19	Budget Year +2 2019/20
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Adjusted Budget	Adjusted Budget
<b><u>Borrowing Management</u></b>									
Credit Rating	Short term/long term rating								
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure				0.1%	0.0%	0.1%	0.1%	0.1%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue				0.0%	0.0%	0.0%	0.0%	0.0%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants				0.0%	0.0%	0.0%	0.0%	0.0%
<b><u>Liquidity</u></b>									
Current Ratio	Current assets/current liabilities				19599.8%	0.0%	19599.8%	19603.1%	19606.3%
Current Ratio adjusted for aged debtors	Current assets/current liabilities less debtors > 90 days/current liabilities				19599.8%	0.0%	0.0%	0.0%	0.0%
Liquidity Ratio	Monetary Assets/Current Liabilities				1.0	0.0	1.0	1.0	1.1
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue				30.5%	0.0%	30.5%	28.9%	27.6%
Employee costs	Employee costs/(Total Revenue - capital revenue)				30.2%	0.0%	30.1%	30.6%	31.1%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)				5.3%	0.0%	5.3%	5.3%	5.3%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)				14.9%	0.0%	14.9%	14.9%	15.1%
<b><u>IDP regulation financial viability indicators</u></b>									
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)				43916.6%	0.0%	43916.6%	43464.2%	45412.9%
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services				30.5%	0.0%	30.5%	28.9%	27.6%

## 2.4. Statistics in assumptions

### LIM334 Ba-Phalaborwa - Supporting Table SB5 Adjustments Budget - social, economic and demographic statistics and assumptions -

Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2014/15	2015/16	2016/17	Budget Year 2017/18	2017/18 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
<b>Demographics</b>												
Population						150,637	150,637	150,637	150,637	150,637		
Females aged 5 - 14						77,620	77,620	77,620	77,620	77,620		
Males aged 5 - 14						73,016	73,016	73,016	73,016	73,016		
Females aged 15 - 34						13,967	13,967	13,967	13,967	13,967		
Males aged 15 - 34						23,096	23,096	23,096	23,096	23,096		
Unemployment						20,282	20,282	20,282	20,282	20,282		
<b>Monthly Household income ( no. of households)</b>												
None	1, 12					63,891	63,891	63,891	63,891	63,891		
R1 - R1 600						56,476	56,476	56,476	56,476	56,476		
R1 601 - R3 200						6,632	6,632	6,632	6,632	6,632		
R3 201 - R6 400						5,268	5,268	5,268	5,268	5,268		
R6 401 - R12 800						5,357	5,357	5,357	5,357	5,357		
R12 801 - R25 600						3,746	3,746	3,746	3,746	3,746		
R25 601 - R51 200						920	920	920	920	920		
R52 201 - R102 400						177	177	177	177	177		
R102 401 - R204 800						64	64	64	64	64		
R204 801 - R409 600						78	78	78	78	78		
<b>Household/demographics (000)</b>												
Number of people in municipal area						151	151	151	151	151		
Number of poor people in municipal area						64	64	64	64	64		

Number of households in municipal area						41	41	41	41	41
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### Detail on the provision of municipal services for B10

Total municipal services	Ref.		2014/15	2015/16	2016/17	Budget Year 2017/18			2017/18 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
		<b>Household service targets (000)</b>									
		<b><u>Water:</u></b>									
		Piped water inside dwelling	15	15	15	15	15	15	15	15	15
		Piped water inside yard (but not in dwelling)	19	19	19	19	19	19	19	19	19
	8	Using public tap (at least min.service level)	3,812	3,812	3,812	3,812	3,812	3,812	3,812	3,812	3,812
	10	Other water supply (at least min.service level)	413	413	413	413	413	413	413	413	413
		<i>Minimum Service Level and Above sub-total</i>	4,259	4,259	4,259	4,259	4,259	4,259	4,259	4,259	4,259
	9	Using public tap (< min.service level)									
	10	Other water supply (< min.service level)									
		No water supply									
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		<b>Total number of households</b>	<b>4,259</b>	<b>4,259</b>	<b>4,259</b>	<b>4,259</b>	<b>4,259</b>	<b>4,259</b>	<b>4,259</b>	<b>4,259</b>	<b>4,259</b>
		<b><u>Sanitation/sewerage:</u></b>									
		Flush toilet (connected to sewerage)	16,638	16,638	16,638	16,638	16,638	16,638	16,638	16,638	16,638
		Flush toilet (with septic tank)	860	860	860	860	860	860	860	860	860
		Chemical toilet	424	424	424	424	424	424	424	424	424
		Pit toilet (ventilated)	6,718	6,718	6,718	6,718	6,718	6,718	6,718	6,718	6,718
		Other toilet provisions (> min.service level)	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833
		<i>Minimum Service Level and Above sub-total</i>	35,473	35,473	35,473	35,473	35,473	35,473	35,473	35,473	35,473
		Bucket toilet				80			80	80	80
		Other toilet provisions (< min.service level)				864			864	864	864
		No toilet provisions				4,698			4,698	4,698	4,698
		<i>Below Minimum Service Level sub-total</i>	-	-	-	5,642	-	-	5,642	5,642	5,642
		<b>Total number of households</b>	<b>35,473</b>	<b>35,473</b>	<b>35,473</b>	<b>41,115</b>	<b>35,473</b>	<b>35,473</b>	<b>41,115</b>	<b>41,115</b>	<b>41,115</b>
		<b><u>Energy:</u></b>									
		Electricity (at least min.service level)	37,345	37,345	37,345	37,345	37,345	37,345	37,345	37,345	37,345

Electricity - prepaid (min.service level) <i>Minimum Service Level and Above sub-total</i>	37,345	37,345	37,345	37,345	37,345	37,345	37,345	37,345	37,345
Electricity (< min.service level)									
Electricity - prepaid (< min. service level)									
Other energy sources									
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	<b>37,345</b>	<b>37,345</b>	<b>37,345</b>	<b>37,345</b>	<b>37,345</b>	<b>37,345</b>	<b>37,345</b>	<b>37,345</b>	<b>37,345</b>
<b><u>Refuse:</u></b>									
Removed at least once a week <i>Minimum Service Level and Above sub-total</i>	-	-	-	-	-	-	-	-	-
Removed less frequently than once a week									
Using communal refuse dump									
Using own refuse dump									
Other rubbish disposal									
No rubbish disposal									
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Municipal in-house services	Ref.		2014/15	2015/16	2016/17	Budget Year 2017/18			2017/18 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
		<b>Household service targets (000)</b>									
		<b><u>Water:</u></b>									
		Piped water inside dwelling	15	15	15	15	15	15	15	15	15
		Piped water inside yard (but not in dwelling)	19	19	19	19	19	19	19	19	19
8		Using public tap (at least min.service level)	3,812	3,812	3,812	3,812	3,812	3,812	3,812	3,812	3,812
10		Other water supply (at least min.service level)	413	413	413	413	413	413	413	413	413
		<i>Minimum Service Level and Above sub-total</i>	4,259	4,259	4,259	4,259	4,259	4,259	4,259	4,259	4,259
9		Using public tap (< min.service level)									
10		Other water supply (< min.service level)									
		No water supply									
		<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
		<b>Total number of households</b>	<b>4,259</b>	<b>4,259</b>	<b>4,259</b>	<b>4,259</b>	<b>4,259</b>	<b>4,259</b>	<b>4,259</b>	<b>4,259</b>	<b>4,259</b>
		<b><u>Sanitation/sewerage:</u></b>									
		Flush toilet (connected to sewerage)	16,638	16,638	16,638	16,638	16,638	16,638	16,638	16,638	16,638
		Flush toilet (with septic tank)	860	860	860	860	860	860	860	860	860
		Chemical toilet	424	424	424	424	424	424	424	424	424

Pit toilet (ventilated)	6,718	6,718	6,718	6,718	6,718	6,718	6,718	6,718	6,718
Other toilet provisions (> min.service level)	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833
<i>Minimum Service Level and Above sub-total</i>	35,473	35,473	35,473	35,473	35,473	35,473	35,473	35,473	35,473
Bucket toilet							80	80	80
Other toilet provisions (< min.service level)							864	864	864
No toilet provisions							4,698	4,698	4,698
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	5,642	5,642	5,642
<b>Total number of households</b>	<b>35,473</b>	<b>35,473</b>	<b>35,473</b>	<b>35,473</b>	<b>35,473</b>	<b>35,473</b>	<b>41,115</b>	<b>41,115</b>	<b>41,115</b>
<b><u>Energy:</u></b>									
Electricity (at least min.service level)	37,345	37,345	37,345	37,345	37,345	37,345	37,345	37,345	37,345
Electricity - prepaid (min.service level)									
<i>Minimum Service Level and Above sub-total</i>	37,345	37,345	37,345	37,345	37,345	37,345	37,345	37,345	37,345
Electricity (< min.service level)									
Electricity - prepaid (< min. service level)									
Other energy sources									
<i>Below Minimum Service Level sub-total</i>	-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	<b>37,345</b>	<b>37,345</b>	<b>37,345</b>	<b>37,345</b>	<b>37,345</b>	<b>37,345</b>	<b>37,345</b>	<b>37,345</b>	<b>37,345</b>
<b><u>Refuse:</u></b>									
Removed at least once a week									



## 2.5 Adjustment budget – funding measurement

### LIM334 Ba-Phalaborwa - Supporting Table SB6 Adjustments Budget - funding measurement -

Description	Ref	MFMA section	2014/15	2015/16	2016/17	Medium Term Revenue and Expenditure Framework				
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>R thousands</b>										
<b>Funding measures</b>										
Cash/cash equivalents at the year end - R'000	1	18(1)b	3,246	11,069	17,028	1,899	–	1,899	4,468	9,809
Cash + investments at the yr end less applications - R'000	2	18(1)b				101,298	–	101,441	120,721	145,033
Cash year end/monthly employee/supplier payments	3	18(1)b				–	–	–	–	–
Surplus/(Deficit) excluding depreciation offsets: R'000	4	18(1)				16,504	–	17,286	3,914	13,853
Service charge rev % change - macro CPIX target exclusive	5	18(1)a,(2)				0.0%	0.0%	0.0%	-0.3%	-0.4%
Cash receipts % of Ratepayer & Other revenue	6	18(1)a,(2)	0.0%	0.0%	0.0%	67.8%	0.0%	67.9%	81.1%	97.8%
Debt impairment expense as a % of total billable revenue	7	18(1)a,(2)				14.7%	0.0%	14.7%	14.7%	14.7%
Capital payments % of capital expenditure	8	18(1)c;19				74.8%	0.0%	0.0%	0.0%	0.0%
Borrowing receipts % of capital expenditure (excl. transfers)	9	18(1)c				0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	10	18(1)a				0.0%	0.0%	0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	11	18(1)a							0.0%	0.0%
Long term receivables % change - incr(decr)	12	18(1)a							0.0%	0.0%
R&M % of Property Plant & Equipment	13	20(1)(vi)				2.9%	0.0%	2.9%	3.1%	3.2%
Asset renewal % of capital budget	14	20(1)(vi)				0.0%	0.0%	0.0%	0.0%	0.0%

## 2.6 Transfers and Grants received

### LIM334 Ba-Phalaborwa - Supporting Table SB7 Adjustments Budget - transfers and grant receipts -

Description	Ref	Budget Year 2017/18						Budget Year +1 2018/19	Budget Year +2 2019/20	
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	
		A	7 A1	8 B	9 C	10 D	11 E	12 F		
<b>R thousands</b>										
<b>RECEIPTS:</b>	1, 2									
<b><u>Operating Transfers and Grants</u></b>										
<b>National Government:</b>		<b>129,937</b>	-	-	-	(200)	(200)	<b>129,737</b>	<b>139,931</b>	<b>147,774</b>
Local Government Equitable Share		120,392					-	120,392	131,531	139,114
Finance Management	3	2,145					-	2,145	2,400	2,660
EPWP Incentive		1,000					-	1,000	-	-
Electricity Demand Side Management		5,000					-	5,000	5,000	5,000
Municipal Infrastructure Grant-Operational		1,400				(200)	(200)	1,200	1,000	1,000
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>	6	<b>129,937</b>	-	-	-	(200)	(200)	<b>129,737</b>	<b>139,931</b>	<b>147,774</b>
<b><u>Capital Transfers and Grants</u></b>										
<b>National Government:</b>		<b>47,219</b>	-	-	-	200	200	<b>47,419</b>	<b>36,243</b>	<b>54,352</b>
Municipal Infrastructure Grant (MIG)		38,219				200	200	38,419	33,243	35,352
Intergrated National Electrification Programme		9,000					-	9,000	3,000	19,000
							-	-		
<b>Total Capital Transfers and Grants</b>	6	<b>47,219</b>	-	-	-	200	200	<b>47,419</b>	<b>36,243</b>	<b>54,352</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		<b>177,156</b>	-	-	-	-	-	<b>177,156</b>	<b>176,174</b>	<b>202,126</b>

## 2.7. Expenditure on transfers and Grants programme

### LIM334 Ba-Phalaborwa - Supporting Table SB8 Adjustments Budget - expenditure on transfers and grant programme -

Description	Ref	Budget Year 2017/18							Budget Year +1 2018/19	Budget Year +2 2019/20
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	2 A1	3 B	4 C	5 D	6 E	7 F		
<b>EXPENDITURE ON TRANSFERS AND GRANT PROGRAM:</b>	1									
<u>Operating expenditure of Transfers and Grants</u>										
<b>National Government:</b>		129,937	-	-	-	(200)	(200)	129,737	139,931	147,774
Local Government Equitable Share		120,392					-	120,392	131,531	139,114
Finance Management		2,145					-	2,145	2,400	2,660
EPWP Incentive		1,000					-	1,000	-	-
Electricity Demand Side Management		5,000					-	5,000	5,000	5,000
Municipal Infrastructure Grant-Operational		1,400				(200)	(200)	1,200	1,000	1,000
							-	-		
<b>Total operating expenditure of Transfers and Grants:</b>		129,937	-	-	-	(200)	(200)	129,737	139,931	147,774
<u>Capital expenditure of Transfers and Grants</u>										
<b>National Government:</b>		47,219	-	-	-	200	200	47,419	36,243	54,352
Municipal Infrastructure Grant (MIG)		38,219				200	200	38,419	33,243	35,352
Intergrated National Electrification Programme		9,000					-	9,000	3,000	19,000
<b>Total capital expenditure of Transfers and Grants</b>		47,219	-	-	-	200	200	47,419	36,243	54,352
<b>Total capital expenditure of Transfers and Grants</b>		177,156	-	-	-	-	-	177,156	176,174	202,126

## 2.8. Reconciliations of transfers, Grants receipts and unspent funds

LIM334 Ba-Phalaborwa - Supporting Table SB9 Adjustments Budget - reconciliation of transfers, grant receipts, and unspent funds -

Description	Ref	Budget Year 2017/18							Budget Year +1 2018/19	Budget Year +2 2019/20
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	2 A1	3 B	4 C	5 D	6 E	7 F		
<b>Operating transfers and grants:</b>										
<b>National Government:</b>										
Balance unspent at beginning of the year							-	-		
Current year receipts		129,937				(200)	(200)	129,737	139,931	147,774
<b>Conditions met - transferred to revenue</b>		<b>129,937</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(200)</b>	<b>(200)</b>	<b>129,737</b>	<b>139,931</b>	<b>147,774</b>
<b>Total operating transfers and grants revenue</b>		<b>129,937</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(200)</b>	<b>(200)</b>	<b>129,737</b>	<b>139,931</b>	<b>147,774</b>
<b>Total operating transfers and grants - CTBM</b>	2	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Capital transfers and grants:</b>										
<b>National Government:</b>										
Balance unspent at beginning of the year					782		782	782		
Current year receipts		47,219				200	200	47,419	36,243	54,352
<b>Conditions met - transferred to revenue</b>		<b>47,219</b>	<b>-</b>	<b>-</b>	<b>782</b>	<b>200</b>	<b>982</b>	<b>48,201</b>	<b>36,243</b>	<b>54,352</b>
Conditions still to be met - transferred to liabilities							-	-		
Conditions still to be met - transferred to liabilities							-	-		
<b>Total capital transfers and grants revenue</b>		<b>47,219</b>	<b>-</b>	<b>-</b>	<b>782</b>	<b>200</b>	<b>982</b>	<b>48,201</b>	<b>36,243</b>	<b>54,352</b>
<b>Total capital transfers and grants - CTBM</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL TRANSFERS AND GRANTS REVENUE</b>		<b>177,156</b>	<b>-</b>	<b>-</b>	<b>782</b>	<b>-</b>	<b>782</b>	<b>177,938</b>	<b>176,174</b>	<b>202,126</b>
<b>TOTAL TRANSFERS AND GRANTS - CTBM</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 2.9. Transfers and Grants made by the municipality

Not applicable

## 2.10. Councillors and staff benefits

### LIM334 Ba-Phalaborwa - Supporting Table SB11 Adjustments Budget - councillor and staff benefits -

Summary of remuneration	Ref	Budget Year 2017/18									% change
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	
		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H	
<b>R thousands</b>		A	A1	B	C	D	E	F	G	H	
<b><u>Councillors (Political Office Bearers plus Other)</u></b>											
Basic Salaries and Wages		10,255							-	10,255	0.0%
Medical Aid Contributions		43							-	43	0.0%
Motor Vehicle Allowance		3,549							-	3,549	0.0%
Cellphone Allowance		957							-	957	
<b>Sub Total - Councillors</b>		<b>14,804</b>	<b>-</b>						<b>-</b>	<b>14,804</b>	<b>0.0%</b>
<b><u>Senior Managers of the Municipality</u></b>											
Basic Salaries and Wages		4,078							-	4,078	0.0%
Pension and UIF Contributions		11							-	11	0.0%
Motor Vehicle Allowance		1,484							-	1,484	0.0%
Cellphone Allowance		92							-	92	0.0%
Other benefits and allowances		838							-	838	
<b>Sub Total - Senior Managers of Municipality</b>		<b>6,503</b>	<b>-</b>	<b>-</b>					<b>-</b>	<b>6,503</b>	<b>0.0%</b>
<b><u>Other Municipal Staff</u></b>											
Basic Salaries and Wages		85,248						(421)	(421)	84,827	-0.5%
Pension and UIF Contributions		16,985							-	16,985	0.0%
Medical Aid Contributions		5,475							-	5,475	0.0%
Overtime		4,603							-	4,603	0.0%
Motor Vehicle Allowance		12,084							-	12,084	0.0%
Cellphone Allowance		1,313							-	1,313	0.0%
Housing Allowances		1,062							-	1,062	
Other benefits and allowances		7,428							-	7,428	
Long service awards		2,980							-	2,980	0.0%
Post-retirement benefit obligations	5								-	-	
<b>Sub Total - Other Municipal Staff</b>		<b>137,179</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(421)</b>	<b>(421)</b>	<b>136,758</b>	<b>-0.3%</b>
<b>% increase</b>											
<b>Total Parent Municipality</b>		<b>158,486</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(421)</b>	<b>(421)</b>	<b>158,065</b>	<b>-0.3%</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>158,486</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(421)</b>	<b>(421)</b>	<b>158,065</b>	<b>-0.3%</b>
<b>% increase</b>											
<b>TOTAL MANAGERS AND STAFF</b>		<b>143,682</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(421)</b>	<b>(421)</b>	<b>143,261</b>	<b>-0.3%</b>

## 2.11. Monthly revenues and Expenditure per Municipal vote

### LIM334 Ba-Phalaborwa - Supporting Table SB12 Adjustments Budget - monthly revenue and expenditure (municipal vote) -

Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
<b>R thousands</b>																
<b>Revenue by Vote</b>																
Vote 1 - Executive and Council				1,739									(1,739)	-	-	-
Vote 2 - Budget and Treasury Department	10,684	60,818	11,271	10,676	10,659	51,148	22,828	22,828	22,828	22,828	22,828	22,828	22,828	292,222	310,145	324,768
Vote 3 - Corporate Services	68	36	123	78	119	101	21	21	21	21	21	21	21	651	688	726
Vote 4 - Community and Social Services	3,123	2,530	2,488	2,181	3,473	2,902	3,747	3,747	3,747	3,747	3,747	3,747	3,747	39,181	41,088	43,069
Vote 5 - Planning and Development	789	115	310	166	27	130	(246)	(246)	(246)	(246)	(246)	(246)	(246)	62	66	70
Vote 6 - Technical Services Department	18,745	8,166	11,590	8,693	9,251	11,025	20,681	20,681	20,681	20,681	20,681	20,681	20,681	191,557	185,522	211,028
<b>Total Revenue by Vote</b>	<b>33,408</b>	<b>71,666</b>	<b>27,520</b>	<b>21,793</b>	<b>23,528</b>	<b>65,305</b>	<b>47,032</b>	<b>47,032</b>	<b>47,032</b>	<b>47,032</b>	<b>47,032</b>	<b>47,032</b>	<b>45,293</b>	<b>523,673</b>	<b>537,509</b>	<b>579,662</b>
<b>Expenditure by Vote</b>																
Vote 1 - Executive and Council	3,689	2,661	3,433	3,541	5,841	4,531	4,664	4,664	4,664	4,664	4,664	4,664	4,664	51,677	54,939	58,354
Vote 2 - Budget and Treasury Department	3,912	1,857	4,272	4,028	3,567	5,483	11,263	11,263	11,263	11,263	11,263	11,263	11,263	90,697	94,854	100,417
Vote 3 - Corporate Services	1,834	3,783	2,856	3,476	4,441	5,697	4,006	4,006	4,006	4,006	4,006	4,006	4,006	46,124	48,823	51,901
Vote 4 - Community and Social Services	4,839	4,313	4,710	4,739	4,759	5,810	8,228	8,228	8,228	8,228	8,228	8,228	8,228	78,540	83,452	88,591
Vote 5 - Planning and Development	537	506	745	679	863	1,022	1,857	1,857	1,857	1,857	1,857	1,857	1,857	15,494	15,948	17,729
Vote 6 - Technical Services Department	18,524	10,390	9,538	11,717	13,361	9,875	25,075	25,075	25,075	25,075	25,075	25,075	25,075	223,855	235,579	248,818
<b>Total Expenditure by Vote</b>	<b>33,335</b>	<b>23,509</b>	<b>25,553</b>	<b>28,181</b>	<b>32,831</b>	<b>32,419</b>	<b>55,093</b>	<b>55,093</b>	<b>55,093</b>	<b>55,093</b>	<b>55,093</b>	<b>55,093</b>	<b>55,093</b>	<b>506,387</b>	<b>533,595</b>	<b>565,809</b>
<b>Surplus/ (Deficit)</b>	<b>73</b>	<b>48,157</b>	<b>1,967</b>	<b>(6,387)</b>	<b>(9,303)</b>	<b>32,886</b>	<b>(8,061)</b>	<b>(8,061)</b>	<b>(8,061)</b>	<b>(8,061)</b>	<b>(8,061)</b>	<b>(8,061)</b>	<b>(9,800)</b>	<b>17,286</b>	<b>3,914</b>	<b>13,853</b>

## 2.12 Monthly revenue and expenditure by standard classifications

LIM334 Ba-Phalaborwa - Supporting Table SB13 Adjustments Budget - monthly revenue and expenditure (functional classification) -

Description - Standard classification	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
<b>R thousands</b>																
<b>Revenue - Functional</b>																
<b>    Governance and administration</b>		10,752	60,854	13,133	10,754	10,778	51,248	22,849	22,849	22,849	22,849	22,849	21,110	292,872	310,833	325,495
Executive and council		–		1,739									(1,739)	–	–	–
Finance and administration		10,752	60,854	11,394	10,754	10,778	51,248	22,849	22,849	22,849	22,849	22,849	22,849	292,872	310,833	325,495
Internal audit													–	–	–	–
<b>    Community and public safety</b>		1,668	1,077	1,028	720	2,008	1,459	(1,278)	(1,278)	(1,278)	(1,278)	(1,278)	(1,278)	293	310	328
Community and social services		1,668	1,077	1,028	720	2,008	1,459	(1,278)	(1,278)	(1,278)	(1,278)	(1,278)	(1,278)	293	310	328
<b>    Economic and environmental services</b>		10,496	249	4,269	1,169	2,503	2,917	5,960	5,960	5,960	5,960	5,960	5,960	57,361	51,113	54,166
Planning and development		789	115	310	166	27	130	(141)	(141)	(141)	(141)	(141)	(141)	691	731	772
Road transport		9,708	133	3,959	1,003	2,476	2,787	6,100	6,100	6,100	6,100	6,100	6,100	56,670	50,382	53,395
<b>    Trading services</b>		10,491	9,486	9,090	9,150	8,239	9,681	19,501	19,501	19,501	19,501	19,501	19,501	173,146	175,254	199,673
Energy sources		9,037	8,033	7,631	7,690	6,774	8,238	16,985	16,985	16,985	16,985	16,985	16,985	149,311	150,386	173,733
Waste management		1,454	1,453	1,459	1,461	1,465	1,443	2,517	2,517	2,517	2,517	2,517	2,517	23,835	24,868	25,940
<b>    Other</b>													–	–	–	–
<b>Total Revenue - Functional</b>		<b>33,408</b>	<b>71,666</b>	<b>27,520</b>	<b>21,793</b>	<b>23,528</b>	<b>65,305</b>	<b>47,032</b>	<b>47,032</b>	<b>47,032</b>	<b>47,032</b>	<b>47,032</b>	<b>45,293</b>	<b>523,673</b>	<b>537,509</b>	<b>579,662</b>
<b>Expenditure - Functional</b>																

<b>Governance and administration</b>	9,428	8,084	10,438	11,045	13,848	15,697	19,647	19,647	19,647	19,647	19,647	19,647	186,425	196,408	208,322	
Executive and council	2,700	2,175	2,396	2,541	3,910	2,707	2,757	2,757	2,757	2,757	2,757	2,757	32,969	35,115	37,366	
Finance and administration	5,746	5,640	7,128	7,504	8,008	11,180	15,269	15,269	15,269	15,269	15,269	15,269	136,821	143,677	152,318	
Internal audit	982	269	914	1,000	1,930	1,810	1,622	1,622	1,622	1,622	1,622	1,622	16,635	17,616	18,638	
<b>Community and public safety</b>	4,071	4,118	4,374	4,144	4,178	5,334	3,077	3,077	3,077	3,077	3,077	3,077	44,684	47,530	50,510	
Community and social services	2,495	2,388	2,644	3,262	2,577	3,722	(1,623)	(1,623)	(1,623)	(1,623)	(1,623)	(1,623)	7,352	7,823	8,316	
Sport and recreation	6	216	123	–	1	13	3,399	3,399	3,399	3,399	3,399	3,399	20,752	22,032	23,369	
Public safety	698	703	806		718	703	(605)	(605)	(605)	(605)	(605)	(605)	–	–	–	
Housing													–	–	–	
Health	872	810	802	882	882	896	1,906	1,906	1,906	1,906	1,906	1,906	16,580	17,675	18,825	
<b>Economic and environmental services</b>	10,595	2,262	6,425	4,092	4,788	5,365	15,942	15,942	15,942	15,942	15,942	15,942	129,179	135,390	144,215	
Planning and development	537	506	745	679	863	1,022	5,968	5,968	5,968	5,968	5,968	5,968	40,164	42,102	45,431	
Road transport	10,057	1,756	5,680	3,413	3,924	4,342	9,974	9,974	9,974	9,974	9,974	9,974	89,016	93,288	98,784	
Environmental protection													–	–	–	
<b>Trading services</b>	9,241	9,045	4,317	8,900	10,018	6,023	16,426	16,426	16,426	16,426	16,426	16,426	146,099	154,268	162,762	
Energy sources	8,467	8,634	3,858	8,304	9,436	5,533	15,436	15,436	15,436	15,436	15,436	15,436	136,851	144,479	152,409	
Water management													–	–	–	
Waste water management													–	–	–	
Waste management	774	411	458	596	582	490	989	989	989	989	989	989	9,247	9,789	10,353	
<b>Other</b>													–	–	–	
<b>Total Expenditure - Functional</b>	<b>33,335</b>	<b>23,509</b>	<b>25,553</b>	<b>28,181</b>	<b>32,831</b>	<b>32,419</b>	<b>55,093</b>	<b>55,093</b>	<b>55,093</b>	<b>55,093</b>	<b>55,093</b>	<b>55,093</b>	<b>506,387</b>	<b>533,595</b>	<b>565,809</b>	
<b>Surplus/ (Deficit) 1.</b>	<b>73</b>	<b>48,157</b>	<b>1,967</b>	<b>(6,387)</b>	<b>(9,303)</b>	<b>32,886</b>	<b>(8,061)</b>	<b>(8,061)</b>	<b>(8,061)</b>	<b>(8,061)</b>	<b>(8,061)</b>	<b>(8,061)</b>	<b>(9,800)</b>	<b>17,286</b>	<b>3,914</b>	<b>13,853</b>



## 2.13 Monthly Revenue and Expenditure

### LIM334 Ba-Phalaborwa - Supporting Table SB14 Adjustments Budget - monthly revenue and expenditure -

Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
<b>R thousands</b>																
<b>Revenue By Source</b>																
Property rates		2,846	3,033	4,070	3,791	3,436	3,299	15,522	15,522	15,522	15,522	15,522	15,522	113,609	120,085	126,810
Service charges - electricity revenue		6,644	7,905	8,211	4,944	8,073	5,122	13,870	13,870	13,870	13,870	13,870	13,870	124,121	131,196	138,543
Service charges - water revenue		4,482	4,586	4,963	4,716	4,583	4,368						(27,699)	-	-	-
Service charges - sanitation revenue		626	682	657	696	684	592						(3,937)	-	-	-
Service charges - refuse		467	485	495	520	505	498	2,525	2,525	2,525	2,525	2,525	2,525	18,119	19,151	20,224
Service charges - other													-	-	-	-
Rental of facilities and equipment		28	50	36	45	56	49	39	39	39	39	39	39	500	529	558
Interest earned - external investments		102	247	176	139	100	225	8	8	8	8	8	8	1,038	569	601
Interest earned - outstanding debtors		120	173	460	348	255	123	11,677	11,677	11,677	11,677	11,677	11,677	71,542	72,042	72,042
Dividends received													-	-	-	-
Fines, penalties and forfeits		53	32	24	9	1	152	30	30	30	30	30	30	451	476	503
Licences and permits		801	1,261	790	549	1,588	541	1,065	1,065	1,065	1,065	1,065	1,065	11,922	12,602	13,308
Agency services		200	315	198	137	397	135	220	220	220	220	220	220	2,701	2,855	3,015
Transfers and subsidies		52,309	2,250	72	-	40	40,495	5,762	5,762	5,762	5,762	5,762	5,762	129,737	139,931	147,774
Other revenue		157	995	2,198	243	102	450	(402)	(402)	(402)	(402)	(402)	(402)	1,732	1,831	1,933

Gains on disposal of PPE													-	-	-	-
<b>Total Revenue</b>	<b>68,835</b>	<b>22,012</b>	<b>22,350</b>	<b>16,137</b>	<b>19,821</b>	<b>56,050</b>	<b>50,317</b>	<b>50,317</b>	<b>50,317</b>	<b>50,317</b>	<b>50,317</b>	<b>50,317</b>	<b>18,681</b>	<b>475,472</b>	<b>501,266</b>	<b>525,310</b>
<b>Expenditure By Type</b>																
Employee related costs	10,354	10,270	10,237	10,568	9,975	10,531	13,554	13,554	13,554	13,554	13,554	13,554	13,554	143,261	153,308	163,427
Remuneration of councillors	1,073	951	1,147	1,103	2,167	1,094	1,212	1,212	1,212	1,212	1,212	1,212	1,212	14,804	15,796	16,839
Debt impairment	47	49	50	48	53		6,259	6,259	6,259	6,259	6,259	6,259	6,259	37,799	39,953	42,191
Depreciation & asset impairment	14,199	8,000	2,929	8,247	6,077	4,983	4,280	4,280	4,280	4,280	4,280	4,280	4,280	70,117	74,114	78,264
Finance charges							124	124	124	124	124	124	124	745	787	831
Bulk purchases							16,361	16,361	16,361	16,361	16,361	16,361	16,361	98,163	103,759	109,569
Other materials	-	-	-	-	-								-	-	-	-
Contracted services	463	4,161	3,104	3,764	4,711	5,159	3,788	3,788	3,788	3,788	3,788	3,788	3,788	44,089	46,004	49,501
Grants and subsidies													-	-	-	-
Other expenditure	2,173	7,983	10,845	3,756	4,348	8,646	9,943	9,943	9,943	9,943	9,943	9,943	9,943	97,409	99,874	105,187
Loss on disposal of PPE													-	-	-	-
<b>Total Expenditure</b>	<b>28,308</b>	<b>31,415</b>	<b>28,311</b>	<b>27,486</b>	<b>27,331</b>	<b>30,412</b>	<b>55,521</b>	<b>55,521</b>	<b>55,521</b>	<b>55,521</b>	<b>55,521</b>	<b>55,521</b>	<b>55,521</b>	<b>506,387</b>	<b>533,595</b>	<b>565,809</b>
<b>Surplus/(Deficit)</b>	<b>40,527</b>	<b>(9,402)</b>	<b>(5,961)</b>	<b>(11,349)</b>	<b>(7,510)</b>	<b>25,639</b>	<b>(5,204)</b>	<b>(5,204)</b>	<b>(5,204)</b>	<b>(5,204)</b>	<b>(5,204)</b>	<b>(5,204)</b>	<b>(36,839)</b>	<b>(30,915)</b>	<b>(32,329)</b>	<b>(40,499)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	1,469	9,340	3,626	1,048	2,373	15,976	2,395	2,395	2,395	2,395	2,395	2,395	2,395	48,201	36,243	54,352
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)													-	-	-	-
Transfers and subsidies - capital (in-kind - all)													-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>41,996</b>	<b>(62)</b>	<b>(2,335)</b>	<b>(10,301)</b>	<b>(5,137)</b>	<b>41,615</b>	<b>(2,809)</b>	<b>(2,809)</b>	<b>(2,809)</b>	<b>(2,809)</b>	<b>(2,809)</b>	<b>(2,809)</b>	<b>(34,444)</b>	<b>17,286</b>	<b>3,914</b>	<b>13,853</b>

## 2.14 Monthly Cash flows

### LIM334 Ba-Phalaborwa - Supporting Table SB15 Adjustments Budget - monthly cash flow -

Monthly cash flows	Ref	Budget Year 2017/18											Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
<b>R thousands</b>																
<b>Cash Receipts By Source</b>	1															
Property rates		2,846	3,033	4,070	3,791	3,436	3,299	4,542	4,542	4,542	4,542	4,542	4,542	47,729	60,139	75,775
Service charges - electricity revenue		6,644	7,905	8,211	4,944	8,073	5,122	8,440	8,440	8,440	8,440	8,440	8,440	91,540	115,341	145,329
Service charges - water revenue		4,482	4,586	4,963	4,716	4,583	4,368	5,946	5,946	5,946	5,946	5,946	5,946	63,374	79,852	100,613
Service charges - sanitation revenue		626	682	657	696	684	592	992	992	992	992	992	992	9,891	12,462	15,703
Service charges - refuse		467	485	495	520	505	498	908	908	908	908	908	908	8,418	10,607	13,365
Service charges - other													-			
Rental of facilities and equipment		28	50	36	45	56	49	20	20	20	20	20	20	385	485	611
Interest earned - external investments		102	247	176	139	100	225	(59)	(59)	(59)	(59)	(59)	(59)	637	803	1,012
Interest earned - outstanding debtors		120	173	460	348	255	123	456	456	456	456	456	456	4,215	5,311	6,691
Dividends received														-		
Fines, penalties and forfeits		53	32	24	9	1	152	55	55	55	55	55	55	599	754	951
Licences and permits		801	1,261	790	549	1,588	541	502	502	502	502	502	502	8,540	10,760	13,558
Agency services		200	315	198	137	397	135	53	53	53	53	53	53	1,701	2,143	2,701
Transfer receipts - operational		52,309	2,250	72	-	40	40,495	5,795	5,795	5,795	5,795	5,795	5,795	129,937	139,931	147,774
Other revenue		157	995	2,198	243	102	450	(402)	(402)	(402)	(402)	(402)	(402)	1,732		
<b>Cash Receipts by Source</b>		<b>68,835</b>	<b>22,012</b>	<b>22,350</b>	<b>16,137</b>	<b>19,821</b>	<b>56,050</b>	<b>27,249</b>	<b>27,249</b>	<b>27,249</b>	<b>27,249</b>	<b>27,249</b>	<b>27,249</b>	<b>368,699</b>	<b>438,589</b>	<b>524,083</b>
<b>Other Cash Flows by Source</b>																
Transfers receipts - capital		20,000	-	-	3,000		15,976	1,374	1,374	1,374	1,374	1,374	1,374	47,219	36,243	54,352
<b>Total Cash Receipts by Source</b>		<b>88,835</b>	<b>22,012</b>	<b>22,350</b>	<b>19,137</b>	<b>19,821</b>	<b>72,027</b>	<b>28,623</b>	<b>28,623</b>	<b>28,623</b>	<b>28,623</b>	<b>28,623</b>	<b>28,623</b>	<b>415,918</b>	<b>474,832</b>	<b>578,435</b>

<b>Cash Payments by Type</b>																
Employee related costs	10,354	10,270	10,237	10,568	9,975	10,531	13,625	13,625	13,625	13,625	13,625	13,625	143,682	181,039	228,109	
Remuneration of councillors	1,073	951	1,147	1,103	2,167	1,094	1,212	1,212	1,212	1,212	1,212	1,212	14,804	18,653	23,503	
Finance charges	47	49	50	48	53	21	79	79	79	79	79	79	745	938	1,182	
Bulk purchases - Electricity	14,199	8,000	2,929	8,247	6,077	4,999	7,452	7,452	7,452	7,452	7,452	7,452	89,163	99,863	122,832	
Contracted services	463	4,161	3,104	3,764	4,711	5,213	3,852	3,852	3,852	3,852	3,852	3,852	44,526	56,103	59,245	
Transfers and grants - other municipalities													-	-	-	
Transfers and grants - other													-	-	-	
Other expenditure	2,173	7,983	10,845	3,756	4,348	3,254	7,130	7,130	7,130	7,130	7,130	7,130	75,140	79,423	83,871	
<b>Cash Payments by Type</b>	<b>28,308</b>	<b>31,415</b>	<b>28,311</b>	<b>27,486</b>	<b>27,331</b>	<b>25,112</b>	<b>33,350</b>	<b>33,350</b>	<b>33,350</b>	<b>33,350</b>	<b>33,350</b>	<b>33,350</b>	<b>368,061</b>	<b>436,020</b>	<b>518,742</b>	
<b>Other Cash Flows/Payments by Type</b>																
Capital assets	1,469	9,340	3,626	1,048	2,373	3,027	7,870	7,870	7,870	7,870	7,870	7,870	(13,013)	47,219	36,243	54,352
Repayment of borrowing													-			
Other Cash Flows/Payments	55,000	(11,000)	(12,000)	(8,000)	(10,000)	45,003	(9,834)	(9,834)	(9,834)	(9,834)	(9,834)	(9,834)				
<b>Total Cash Payments by Type</b>	<b>84,777</b>	<b>29,755</b>	<b>19,936</b>	<b>20,535</b>	<b>19,704</b>	<b>73,142</b>	<b>31,386</b>	<b>31,386</b>	<b>31,386</b>	<b>31,386</b>	<b>31,386</b>	<b>10,503</b>	<b>415,280</b>	<b>472,263</b>	<b>573,094</b>	
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>4,058</b>	<b>(7,742)</b>	<b>2,414</b>	<b>(1,397)</b>	<b>117</b>	<b>(1,115)</b>	<b>(2,763)</b>	<b>(2,763)</b>	<b>(2,763)</b>	<b>(2,763)</b>	<b>(2,763)</b>	<b>18,120</b>	<b>638</b>	<b>2,569</b>	<b>5,341</b>	
Cash/cash equivalents at the month/year beginning:	1,261	5,319	(2,424)	(10)	(1,407)	(1,290)	(2,406)	(5,169)	(7,932)	(10,695)	(13,458)	(16,221)	1,261	1,899	4,468	
Cash/cash equivalents at the month/year end:	5,319	(2,424)	(10)	(1,407)	(1,290)	(2,406)	(5,169)	(7,932)	(10,695)	(13,458)	(16,221)	1,899	1,899	4,468	9,809	

## 2.15. Monthly Capital Expenditure by Municipal Vote

LIM334 Ba-Phalaborwa - Supporting Table SB16 Adjustments Budget - monthly capital expenditure (municipal vote) -

Description - Municipal Vote	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
<b>R thousands</b>																
<b>Multi-year expenditure appropriation</b>	1															
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury Department		-	-	-	-	-	-	83	83	83	83	83	83	500	500	500
Vote 3 - Corporate Services		-	-	-	130	7	54	385	385	385	385	385	385	2,500	2,500	2,500
Vote 4 - Community and Social Services		-	-	-	-	-	129	587	587	587	587	587	587	3,650	3,650	3,650
Vote 5 - Planning and Development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Technical Services Department		1,289	8,193	3,180	790	2,074	4,015	6,318	6,318	6,318	6,318	6,318	6,318	57,451	43,653	73,298
<b>Capital Multi-year expenditure sub-total</b>	3	<b>1,289</b>	<b>8,193</b>	<b>3,180</b>	<b>920</b>	<b>2,081</b>	<b>4,198</b>	<b>7,373</b>	<b>7,373</b>	<b>7,373</b>	<b>7,373</b>	<b>7,373</b>	<b>7,373</b>	<b>64,101</b>	<b>50,303</b>	<b>79,948</b>
<b>Total Capital Expenditure</b>	2	<b>1,289</b>	<b>8,193</b>	<b>3,180</b>	<b>920</b>	<b>2,081</b>	<b>4,198</b>	<b>7,373</b>	<b>7,373</b>	<b>7,373</b>	<b>7,373</b>	<b>7,373</b>	<b>7,373</b>	<b>64,101</b>	<b>50,303</b>	<b>79,948</b>

## 2.16. Monthly Capital Expenditure by Standard Classification

LIM334 Ba-Phalaborwa - Supporting Table SB17 Adjustments Budget - monthly capital expenditure  
(functional classification) -

Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework	Budget Year +1 2018/19	Budget Year +2 2019/20	
		July	August	Sept.	October	November	December	January	February	March	April	May	June				
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget				Adjusted Budget
R thousands																	
<b>Capital Expenditure - Functional Governance and administration</b>		-	-	-	130	7	54	468	468	468	468	468	468	3,000	3,000	3,000	
Executive and council													-	-	-	-	
Finance and administration					130	7	54	468	468	468	468	468	468	3,000	3,000	3,000	
Internal audit													-	-	-	-	
<b>Community and public safety</b>		-	4,650	2,324	607	1,386	2,828	899	899	899	899	899	899	17,192	1,150	1,150	
Community and social services							129	54	54	54	54	54	54	450	450	450	
Sport and recreation			4,650	2,324	607	1,386	2,699	729	729	729	729	729	729	16,042	-	-	
Public safety							117	117	117	117	117	117	117	700	700	700	
<b>Economic and environmental services</b>		-	3,543	857	183	688	-	3,481	3,481	3,481	3,481	3,481	3,481	26,159	34,403	48,048	
Road transport			3,543	857	183	688		3,481	3,481	3,481	3,481	3,481	3,481	26,159	34,403	48,048	
Environmental protection													-	-	-	-	
<b>Trading services</b>		1,289	-	-	-	-	1,316	2,524	2,524	2,524	2,524	2,524	2,524	17,750	11,750	27,750	
Energy sources		1,289					1,316	2,108	2,108	2,108	2,108	2,108	2,108	15,250	9,250	25,250	
Waste management								417	417	417	417	417	417	2,500	2,500	2,500	
<b>Other</b>													-	-	-	-	
<b>Total Capital Expenditure - Functional</b>		<b>1,289</b>	<b>8,193</b>	<b>3,180</b>	<b>920</b>	<b>2,081</b>	<b>4,198</b>	<b>7,373</b>	<b>7,373</b>	<b>7,373</b>	<b>7,373</b>	<b>7,373</b>	<b>7,373</b>	<b>64,101</b>	<b>50,303</b>	<b>79,948</b>	

## 2.17. Adjustments on Capital Expenditure (New Assets)

LIM334 Ba-Phalaborwa - Supporting Table SB18a Adjustments Budget - capital expenditure on new assets by asset class -

Description	Ref	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
<b>R thousands</b>												
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>												
-												
<b>Infrastructure</b>		<b>40,427</b>	-	-	-	-	-	<b>982</b>	<b>982</b>	<b>41,409</b>	<b>43,653</b>	<b>73,298</b>
Roads Infrastructure		25,177	-	-	-	-	-	982	982	26,159	34,403	48,048
<i>Roads</i>		25,177	-	-	-	-	-	982	982	26,159	34,403	48,048
Electrical Infrastructure		15,250	-	-	-	-	-	-	-	15,250	9,250	25,250
<i>Power Plants</i>		15,250	-	-	-	-	-	-	-	15,250	9,250	25,250
<b>Community Assets</b>		<b>17,192</b>	-	-	-	-	-	-	-	<b>17,192</b>	<b>1,150</b>	<b>1,150</b>
Community Facilities		1,150	-	-	-	-	-	-	-	1,150	1,150	1,150
<i>Cemeteries/Crematoria</i>		450	-	-	-	-	-	-	-	450	450	450
<i>Public Open Space</i>		700	-	-	-	-	-	-	-	700	700	700
Sport and Recreation Facilities		<b>16,042</b>	-	-	-	-	-	-	-	<b>16,042</b>	-	-
<i>Outdoor Facilities</i>		16,042	-	-	-	-	-	-	-	16,042	-	-
<b>Furniture and Office Equipment</b>		<b>3,000</b>	-	-	-	-	-	-	-	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>
Furniture and Office Equipment		3,000	-	-	-	-	-	-	-	3,000	3,000	3,000
<b>Transport Assets</b>		<b>2,500</b>	-	-	-	-	-	-	-	<b>2,500</b>	<b>2,500</b>	<b>2,500</b>
Transport Assets		2,500	-	-	-	-	-	-	-	2,500	2,500	2,500
<b>Total Capital Expenditure on new assets to be adjusted</b>	<b>1</b>	<b>63,119</b>	-	-	-	-	-	<b>982</b>	<b>982</b>	<b>64,101</b>	<b>50,303</b>	<b>79,948</b>

## 2.18. Adjustments on Capital Expenditure on renewal of existing assets by asset class

LIM334 Ba-Phalaborwa - Supporting Table SB18b Adjustments Budget - capital expenditure on renewal of existing assets by asset class

Description	Ref	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
<b>R thousands</b>												
<b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>												
-												
<b>Infrastructure</b>		-	-	-	-	-	-	-	-	-	-	-
Roads Infrastructure		-	-	-	-	-	-	-	-	-	-	-
<i>Roads</i>												
<i>Road Structures</i>												
<i>Road Furniture</i>												
<i>Capital Spares</i>												
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
<i>Drainage Collection</i>												
<i>Storm water Conveyance</i>												
<i>Attenuation</i>												
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	-	-
<i>Power Plants</i>												
<i>HV Substations</i>												
<i>HV Switching Station</i>												
<i>Capital Spares</i>												
Zoo's, Marine and Non-biological Animals												
<b>Total Capital Expenditure on renewal of existing assets to be adjusted</b>	1	-	-	-	-	-	-	-	-	-	-	-



## 2.19. Adjustments on Expenditure on Repairs and Maintenance

LIM334 Ba-Phalaborwa - Supporting Table SB18c Adjustments Budget - expenditure on repairs and maintenance by asset class -

Description	Ref	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
<b>R thousands</b>												
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>												
-												
<b>Infrastructure</b>		<b>18,687</b>	-	-	-	-	-	-	-	<b>18,687</b>	<b>19,467</b>	<b>20,277</b>
Roads Infrastructure		4,781	-	-	-	-	-	-	-	4,781	5,054	5,337
<i>Roads</i>		4,781	-	-	-	-	-	-	-	4,781	5,054	5,337
Electrical Infrastructure		11,384	-	-	-	-	-	-	-	11,384	11,748	12,126
<i>Power Plants</i>		6,384	-	-	-	-	-	-	-	6,384	6,748	7,126
<i>HV Substations</i>		5,000	-	-	-	-	-	-	-	5,000	5,000	5,000
Solid Waste Infrastructure		2,521	-	-	-	-	-	-	-	2,521	2,665	2,814
<i>Landfill Sites</i>		2,521	-	-	-	-	-	-	-	2,521	2,665	2,814
<b>Community Assets</b>		<b>3,684</b>	-	-	-	-	-	-	-	<b>3,684</b>	<b>3,894</b>	<b>4,112</b>
Community Facilities		3,684	-	-	-	-	-	-	-	3,684	3,894	4,112
<i>Cemeteries/Crematoria</i>		659	-	-	-	-	-	-	-	659	696	735
<i>Public Open Space</i>		1,254	-	-	-	-	-	-	-	1,254	1,325	1,399
<i>Nature Reserves</i>		1,772	-	-	-	-	-	-	-	1,772	1,873	1,977
<b>Furniture and Office Equipment</b>		<b>2,887</b>	-	-	-	-	-	-	-	<b>2,887</b>	<b>3,051</b>	<b>3,222</b>
Furniture and Office Equipment		2,887	-	-	-	-	-	-	-	2,887	3,051	3,222
<b>Machinery and Equipment</b>		<b>149</b>	-	-	-	-	-	-	-	<b>149</b>	<b>157</b>	<b>166</b>
Machinery and Equipment		149	-	-	-	-	-	-	-	149	157	166
<b>Total Repairs and Maintenance Expenditure to be adjusted</b>	<b>1</b>	<b>25,406</b>	-	-	-	-	-	-	-	<b>25,406</b>	<b>26,569</b>	<b>27,777</b>

## 2.20. Adjustment on Budget- Depreciation by asset class

LIM334 Ba-Phalaborwa - Supporting Table SB18d Adjustments Budget - depreciation by asset class -

Description	Ref	Budget Year 2017/18									Budget Year +1 2018/19	Budget Year +2 2019/20
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
<b>Depreciation by Asset Class/Sub-class</b>												
-												
<b>Infrastructure</b>		49,877	-	-	-	-	-	-	-	49,877	52,720	55,673
Roads Infrastructure		41,776	-	-	-	-	-	-	-	41,776	44,158	46,630
<i>Roads</i>		41,776	-	-	-	-	-	-	-	41,776	44,158	46,630
Electrical Infrastructure		8,101	-	-	-	-	-	-	-	8,101	8,563	9,042
<i>Power Plants</i>		8,101	-	-	-	-	-	-	-	8,101	8,563	9,042
<b>Community Assets</b>		7,448	-	-	-	-	-	-	-	7,448	7,873	8,313
Community Facilities		7,448	-	-	-	-	-	-	-	7,448	7,873	8,313
<i>Nature Reserves</i>		7,448	-	-	-	-	-	-	-	7,448	7,873	8,313
<b>Furniture and Office Equipment</b>		12,792	-	-	-	-	-	-	-	12,792	13,521	14,278
Furniture and Office Equipment		12,792	-	-	-	-	-	-	-	12,792	13,521	14,278
<b>Total Depreciation to be adjusted</b>	1	70,117	-	-	-	-	-	-	-	70,117	74,114	78,264

## 2.21. List of Capital Programmes and Projects affected by Adjustment Budget 2017/18

Municipal Vote/Capital project	Program/Project description	Project number	Medium Term Revenue and Expenditure Framework								
			Budget Year 2017/18		Budget Year +1 2018/19		Budget Year +2 2019/20				
			Original Budget	Adjusted Budget	Original Budget	Adjusted Budget	Original Budget	Adjusted Budget			
R thousand											
Parent municipality: <i>Vote 6 - Technical Services Department</i>	Municipal Infrastructure Grant		56,469	57,451	43,653	43,653	73,298	73,298			

### **3. OVERVIEW OF ADJUSTMENT BUDGET ASSUMPTIONS**

The adjustment budget prioritised service delivery programmes in line with current challenges we are facing as a municipality such as electricity infrastructure and dilapidated roads infrastructure.

The following decisions were made to determine how the approved budget can be adjusted downwards or upwards and still take into account service delivery issues:

- Collection of electricity revenue should be prioritised in Phalaborwa town
- There must be full continuous implementation of policies such as credit control and debt collection policy

### **4. OVERVIEW OF ADJUSTMENT BUDGET FUNDING**

#### **4.1.1 Tariff schedule**

The tariff schedule for 2017/18 on all services remains unchanged.

#### **4.1.2 Government Grant and Subsidies allocation**

## 5. COUNCILLORS AND SECTION 57 MANAGERS REMUNERATIONS AND ALLOWANCES

### 5.1. Disclosure on Councillors remunerations

	Budget 2017/18
MAYOR	784,412
SPEAKER	632,810
CHIEF WHIP	594,910
EXCO MEMBERS( PART TIME )	491,546
EXCO MEMBERS(FULL TIME COUNCILLORS )	2,502,855
CHAIRPERSON MPAC	335,630
PART-TIME COUNCILLORS	9,462,035
	<b>14,804,197</b>

- Total packages are including cell phone, travel reimbursement and subsistence allowances.

## 5.2. Disclosure on Section 57 Managers remunerations

Table below illustrates Section 57 manager's remunerations

	<b>Budget 2017/18</b>
Municipal Manager	1,215,611
Director Corporate Services	1,053,537
Chief Financial Officer	1,053,537
Director Community Services	1,057,956
Director Planning and Economic Development	1,068,517
Director Technical Services	1,053,537
	<b>6,502,694</b>

- Total packages are including cell phone and subsistence allowances (travel reimbursement).

## **6 REVISED SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP)**

- The SDBIP will be attached once finalised and approved.

## **7 LEGISLATION COMPLIANCE STATUS**

### **8.1. Compliance to Municipal Finance Management Act (MFMA, 56 of 2003 )**

The MFMA came into effect on 01 July 2004. This legislation provides for significant changes in the way municipalities in South Africa manage their financial affairs. The legislation not only deals with Financial Management issues but also with general management issues.

**8**

**MUNICIPAL MANAGER’S QUALITY**

**QUALITY CERTIFICATE**

I **Moakamela Ml**, Municipal Manager of **BA-PHALABORWA LOCAL MUNICIPALITY (LIM334)** hereby certify that the adjustment budget and its supporting documentation have been prepared in accordance with the Municipal Finance management act and the regulations made under the Act, and that the adjustments budget and supporting documentation are consistent with the Integrated Development Plan of the Municipality.

**Print Name** \_\_\_\_\_

**Municipal Manager of** \_\_\_\_\_ **LIM334**

**Signature** \_\_\_\_\_

**Date** \_\_\_\_\_